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Daily Report

East Europe

FBIS-EEU-89-146
Tuesday
1 August 1989

Daily Report
East Europe

FBIS-EEU-89-146 *1 August 1989*

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Hungarian Attitude Toward Slovaks Criticized

AU3107161289 Bratislava PRAVDA in Slovak 29 Jul 89 p 4

["(ZR)"-signed report: "Let Us Not Forget Our Fellow Countrymen"]

[Text] Recently, several readers have noticed that we have published a few reports on the life of Slovaks in Hungary, reports based on articles in the Slovak paper LUDOVE NOVINY and NEPSZABADSAG, the press organ of the Hungarian Socialist Workers Party. In this connection, Cyril Kebyla from Valaska recalled his visit to Bekescsaba (Bekesska Caba) in September 1987. He wrote to us that he went into a school on Petr Jilemnicky Street and was surprised that throughout the entire school he did not find one notice, one announcement, or any information written in Slovak. He also had a bad experience with the knowledge of Slovak among the local Slovaks. Another of our readers, Anton Palko from Zvoleno, has read a comprehensive article in LUDOVE NOVINY which was addressed to Alajos Chrudinak, chief editor of the Hungarian television program Panorama. Recently, the article was published in our country by LITERARNY TYZDENNIK. Its authors refer to the poor status of the Slovak minority in Hungary. NEPSZABADSAG also reacted to the article and, among other things, demanded that an institution be created in which the Slovak minority can acquire its native language and develop its spiritual life according to European norms. In this context, A. Palko writes that while considering the status of our fellow countrymen in Hungary we should not let ourselves be carried away by our emotions but nor should we reconcile ourselves to the situation. He suggests, for example, that our journalists and television stations devote more attention to our fellow countrymen in neighboring countries. He also refers to the bleak situation of the Czech and Slovak minorities in Poland while invoking their testimony in the monthly ZIVOT, which is published in the Polish People's Republic. He writes that we owe our fellow countrymen a lot.

In his letter, Engineer and candidate of sciences Jaroslav Petrik, from Bratislava dwells on the fact that at Imry Nagy's funeral in Budapest one of the speakers told us not to "harm" Hungarians living in our country. He writes that the unreasonableness of such a "message" can easily be refuted by experiences from his personal life and by the facts which he has at his disposal at his place of work—he works at the Slovak Statistical Office. These facts concern the development of the districts in which our fellow citizens of Hungarian nationality live.

He further points out that his wife belongs to the Hungarian minority, is a native of Komarno, works in an important position, and that no one has ever discriminated against her nationality. During more than 20 years of living with the family—with his wife's mother and father—he has never experienced any tension or arguments arising out of nationalist issues. The second example which he cites is the co-existence of the Komarno children. He writes: "In their kindergartens, in which Hungarian, Slovak, and gypsy children play together, bilingualism prevails. If some of them know something in this or that language the whole group reacts spontaneously in this same language." At the end of his letter, Engineer Petrik again points out that the districts inhabited mainly by our Hungarian fellow citizens do not lag behind the standard of the whole of the Slovak Socialist Republic in anything.

Austria To Prohibit Asylum for Hungarians, Poles

AU1807185089 Vienna Television Service in German 1730 GMT 18 Jul 89

[Text] Hungarians and Poles will no longer be granted political asylum in Austria. This is the conclusion our authorities have drawn from the increasing liberalization in Hungary and Poland. Some 1,000 citizens from these two countries will no longer be supported by the Austrian asylum authorities. They must leave the refugee camps in the next few days.

The first few Poles and Hungarians have already packed up and are leaving the refugee camp in [place name indistinct]. The people affected are those Hungarian and Polish citizens who arrived in Austria before the so-called summary procedure was introduced in May 1988, and who have not been able to convince the authorities that they have really been politically persecuted in their home countries. There is general apprehension that the major part of the 2,000 refugees who have been denied political asylum will not go home for the time being, but will get along by doing work illegally.

USSR's Tatarnikov Comments on Vienna Talks

AU0108070889 Sofia OTECHESTVEN FRONT in Bulgarian 28 Jul 89 pp 4, 5

[Interview with USSR Major General Viktor Tatarnikov, "leader of the group of USSR experts at the Vienna talks," by Ulyana Prumova, OTECHESTVEN FRONT reporter, in Vienna: "Routes of Hope From The Atlantic to the Urals"—date not given]

[Text] Vienna—The regular round of the Vienna talks ended in mid-July. Let us recall that the talks are divided into two directions: the first, the talks of the 33 European states, the United States, and Canada on measures on strengthening confidence and security in Europe; and the second, the talks of the 23 on decreasing conventional weapons from the Atlantic to the Urals. On this occasion Maj Gen Viktor Tatarnikov, member of the USSR delegation and leader of the group of Soviet military experts, summarizes the results of the Vienna talks until now especially for the OTECHESTVEN FRONT readers.

[Prumova] The participants in the talks described the first round as a promising beginning. How do you assess the work of the second round? Was the businesslike, dynamic, and constructive atmosphere, noted at the beginning of the talks, preserved?

[Tatarnikov] We are satisfied with the results of the session that has ended. The discussions had a lot of substance and intensity and took place in a businesslike manner that was demonstrated by practically all of the participants. As a result of this there is a significant degree of agreement and similarity on many basic positions of the countries, and considerable progress was achieved at the talks. How was this specifically expressed?

At the beginning of the round, we noted in general terms that the initial reductions must affect first of all those kinds of weapons that represent a potential for implementing a surprise strike or for conducting large-scale attacking operations. Now we can specifically mention them. These are the six categories of the most destabilizing conventional weapons: airplanes, helicopters, tanks, armored personnel carriers, artillery, and personnel. It must be pointed out that the text of the agreement on the six categories has been incorporated in the preliminary draft of the future document.

At the beginning of the round there was one thing that could be said with certainty about the zone in which the agreement must be applied: The future agreement must encompass the region from the Atlantic to the Urals. Today it is obvious that the two sides find it appropriate to establish other regions within the area of this general region which will have various levels of conventional weapons.

An agreement has been reached on such an important premise as the "Collective Conventional Weapons Limits for Every Alliance." There also is a supplemental agreement on the issue that the limits of both alliances must contain specific levels for the various categories. In addition, limits must be determined for the troops that are located outside the borders of their own national territory. If, during the first round of the Vienna talks, the general outline of the preliminary agreement was worked out, during the second round the outline became more precise and clear, and its structure and contents were determined to a large degree.

The creation of a working structure for the talks undoubtedly was another positive result achieved during the last stage. The working groups have been formed and their activity gradually picks up speed. On certain issues we even advanced toward joint editing. Thus, much was achieved during the second round. However, we are convinced that more could have been achieved. Let me say frankly: In this context we have a serious complaint against the NATO countries.

[Prumova] There were close and similar elements in the positions of the sides at the talks of the 23. However, there also were differences. The issue of decreasing the tactical air force proved especially difficult. How did the second round help to smooth the differences out?

[Tatarnikov] The tactical air force issue emphatically emerged during the second round. In this area the positions of the two countries were fundamentally different. The Warsaw Pact member countries propose to decrease the most dangerous air force category first—the combat strike aircraft—while NATO insisted on reviewing all of the ground-based combat air forces, including the antiaircraft defense fighters. We cannot agree to this. In the Warsaw Pact member countries the antiaircraft air force is intended to repel the strikes of the strategic air force (air-launched Cruise missiles), and the strikes of the Western countries' carrier-based aircraft, which they are excluding from the talks, and which remain a means of inflicting the first strike, as well as a means of intercepting sea-launched Cruise missiles.

One could discern inconsistency in the NATO countries' approach, even concerning such categories of conventional weapons as tanks, armored personnel carriers, and artillery, NATO's position on which was determined a long time ago. Thus, in the category of tanks they intend to decrease only a part of the potential, excluding the light tanks from the talks' framework. In the category of armored personnel carriers they exclude an entire subcategory (the heavily armed armored personnel carriers and the combat reconnaissance vehicles). In the category of artillery they are trying to exclude the large-caliber antitank artillery.

This approach by the Western states clearly indicates a striving to leave an open door, through which they could circumvent the future agreement. Naturally, this must not be allowed.

Generally, despite the fact that many obstacles emerged during the second round of talks, I can say that it was a successful round and that the countries received a vast amount of material about a broad range of issues.

[Prumova] Did the picture at the talks of the 35 become clearer and more precise? What factors hinder the talks process? Have the positions on the issues of measures limiting the military activity of the air and naval forces and on incorporating those branches in the agreement become closer?

[Tatarnikov] Yes, undoubtedly the picture at the talks became more precise. This was facilitated by the clarification of the positions of the participating states and the introduction of new working documents which detail the initial proposals. The Bulgarian delegation introduced a particularly important working document on providing preliminary information about military activity of the naval and amphibian forces. Other delegations of the Warsaw Pact member countries introduced documents on informing about naval military activity, limiting the military activity of the ground troops, Air Force, and Navy, and exchanging information about the ground troops, the Air Force, and the Navy.

The delegations of the NATO countries also introduced an expanded document. Many neutral and nonaligned countries also expressed important considerations on various issues of the talks. At the last session of the talks of the 35 they submitted a joint working document which we must carefully analyze. Thus, toward the end of the round, a solid basis of specific work on the new mutually supplementing measures on confidence and security was created.

Unfortunately we do not think that the NATO countries took notice of the concern of the majority of the participants. Their concept about the confidence-building measures suffers as before from bias and inconsistency. While adhering to the openness [otkritost] of the military organization, they are reducing it to openness related to the ground troops and ground-based aviation. They leave the naval forces, a component in which NATO has significant superiority, behind a curtain of secrecy. In practice they are against spreading the confidence-building measures to such dangerous strike components of the participating countries' Armed Forces as the Air Force and the Navy.

The positions of the Warsaw Pact member countries also were confirmed at the Bucharest meeting of the Political Consultative Committee of the Warsaw Pact Member Countries. This is a logical and balanced position. Comparing it with the position of the NATO countries we see that as of now there is no reason to be optimistic. The lack of willingness in many participating states to take into consideration the political realities and the positive changes in Europe in recent years is the main factor that hinders progress at the talks. We hope that during the recess all countries, including NATO, will continue to search for mutually acceptable agreements.

[Prumova] What tasks do you think must be solved first during the next round? Do you think that specific solutions are possible in the near future?

[Tatarnikov] I think that we must begin by comparing the positions of the countries and working out coordinated definitions in the three categories that have been "delayed" not because of the Warsaw Pact—aircraft, helicopters, and personnel. The West also delayed the presentation of its approaches to the rules of calculating all six categories. The working out of coordinated definitions and calculation rules—this is the foundation on which the building of the future agreement will be constructed.

In addition, we must immediately begin to search for solutions to such complex problems as the regional division into zones of reductions, including the stored arsenals of arms in the sublevels set for each zone (for the time being the West disagrees with this), reducing the number of troops of all participating states, and not only of the USSR and the United States, as NATO proposes. Obviously, we will have to continue our work on bringing the countries' positions closer together on the issue of decreasing the air forces. Unfortunately, for the time being there are great differences on this issue. The West proposes to reduce the entire air forces, including its defensive components, i.e., the antiaircraft defense air force. In this manner the most dangerous components—the strike aircraft—are "lost" in the general concept of aircraft. U.S. carrier-based aircraft remain outside the subject of the talks.

At the same time, we must proceed to working out a system of verification over the implementation of the future agreement. This is a very complex and large-scale task, which requires us not only to coordinate the positions of the countries, but also to work out many technical details of the verification.

As far as the possible terms of adopting specific decisions is concerned, I think that the term pointed out by our leaders at he meeting of the Political Consultative Committee—1990—is fully realistic. Naturally, we will have to make efforts if we want to accomplish this, and I mean not only the Warsaw Pact countries.

East German Commentary on NATO, Naval Talks
LD3107102789 East Berlin Voice of GDR Domestic Service in German 1110 GMT 29 Jul 89

[Guenter Leuschner commentary answering listener's question on the non-existence of naval forces reduction talks]

[Excerpt] [Passage omitted] While the military blocs' Vienna negotiations do cover ground and air forces, they fail to include each other's navies. The reason is simply NATO's continuing rejection to enter such talks despite

the Warsaw Pact countries' long-standing urge to do so. The issue has been subject to extensive but futile discussions. Time and again we have called upon the West to no longer sidestep naval disarmament. For all our efforts, NATO has remained stubborn, however.

What is the reasoning behind that position? There is first of all the U.S. geographical situation, the long distances across the sea and the subsequent need for protection. What must also be taken into account are Washington's geopolitical interests going far beyond Europe to Asia, Africa and, of course, Latin America. Be that as it may, from the point of view of our own situation and interests, we can state that NATO's naval forces are vastly superior to their Warsaw Pact equivalent especially in terms of large battleships. Due to that superiority, NATO can at any point in time mount a giant military potential in immediate proximity of the socialist countries, say in the North or the Baltic Sea, the Mediterranean or in Asia. On top of that, NATO boasts a greater potential of sea-based combat aircraft which are largely based on aircraft carriers and also fail to be included in any disarmament talks. In other words, even an agreement on equal aircraft ceilings in the Vienna negotiations would leave NATO with an advantage of some 1,000 carrier-based combat aircraft.

All in all, the Western rejection to enter negotiations gives rise to a dangerous situation for the Warsaw Pact, which certainly cannot be accepted in the long run. Regarding Western fears in terms of our superior tank potential for instance, we have taken Western security interests into consideration and are prepared to cut the number of tanks by some tens of thousands more than the other side. In turn, we expect NATO to consider our worries and security interests, too, and remove imbalances currently in its favor. After all, that is the basic principle of any security partnership. As yet, the Western approach to naval forces inevitably raises suspicion that NATO intends to maintain and maybe even expand its advantages. What adds to that suspicion is NATO's refusal to even make its navy subject to the confidence building talks, which indicates that there is no intention of announcing naval exercises beforehand, exchanging military observers, or admitting ship inspections. We will thus be in for some more time of waiting for the West to change its position. After all, disarmament must not keep clear of any weapons category.

GDR Envoy on Document Against Space Arms Race

AU2507124389 East Berlin NEUES DEUTSCHLAND in German 21 Jul 89 p 1

[ADN report: "The Arms Race in Space Has To Be Prevented"]

[Text] Geneva (ADN)—At the Geneva disarmament conference on Thursday [20 July] the GDR, Bulgaria, and Hungary presented a working paper on the topic under negotiation "Prevention of the Arms Race in Space." The document, entitled "Overview of Contractual International-Law Regulations That Are Relevant for the Protection and Immunity of Objects in Space," clearly demonstrates that the existing legal regime includes the protection of objects in space but does not comprehensively guarantee it, GDR Ambassador Peter Dietze said at the plenary session. Additional measures are therefore indispensable. The coordination of the activities of scientific experts and an exchange of experiences among them could make work in the space committee more efficient. Peter Dietze stressed that the GDR delegation is willing to contribute to this.

Romania's Ambassador, Gheorghe Dolgu, warned against a modernization of nuclear weapons and referred to the Warsaw Pact proposal to reduce and finally eliminate tactical nuclear weapons.

The Belgian representative, Ambassador Marcel Houllez, opposed concrete negotiations on halting the nuclear arms race and on nuclear disarmament.

Ambassador Aldo Pugliese (Italy), on the other hand, stressed his government's great interest in a comprehensive nuclear test ban.

Zhivkov's 13 Jul Politburo Report Published

AU2807080889 Sofia RABOTNICHESKO DELO in Bulgarian 27 Jul 89 p 1-3

["Report by Comrade Todor Zhivkov at a session of the Bulgarian Communist Party Central Committee Politburo held on 13 July 1989, with the participation of the Bulgarian National Agrarian Union, members of the government, first secretaries of oblast party committees, and chiefs of departments of the Bulgarian Communist Party Central Committee: On Certain Fundamental Problems in the Restructuring of Our Economy"]

[Text] Comrades, at the last session of the Politburo we agreed to discuss certain important problems, on whose solution the renewal of our economy and its present and future depend.

—The development of the economy is not the only thing that very largely depends on how we will cope with these problems.

—The course and results of the restructuring of the entire social organism will also be determined by this.

At this point, I would like to make it clear that **the subject at issue is the problems that we must deal with, having already made important steps in the practical implementation of the July Concept and the fulfillment of the decisions of the December 1988 Plenum of the Central Committee of the Bulgarian Communist Party [BCP].**

If we want to figuratively describe the entire theoretical and practical work of the restructuring of our society, from the time of the July Concept to the present, we might say the following:

—**In the essence of the July Concept we have the basis, the foundations, upon which we have made a firm, unshakable stand in order to build the new house of socialism.**

—With the December Plenum we went further, and revealed a number of very direct ways to create the first floor of our new socialist building.

—The course of restructuring so far in Bulgaria and the experience we are accumulating confirm the correctness of the July Concept. In accordance with the principles embodied in this concept, our development in all fields is proceeding under the sign of renewal.

The chief thing is that the decisions of the December Plenum provide models for new approaches that will enable us to achieve broad expansion in restructuring. They demonstrate that our party is not seeking a refuge in stereotyped thinking, but is striving to respond to the challenges of the time.

This relates first and foremost to **the company-based organization** in all fields of social life.

In the company-based organization and its principles we found what we needed in order to make a breakthrough, reaching out to the interests of the direct goods producers and every territorial community, to draft the tasks of formulating new criteria for labor and social activity, and to place the development of the processes of democracy in the economy and the other spheres on a new basis.

What have we carried out so far in this direction?

1. In the economy, as is well known, **the basic skeleton of the company-based organization has been set up.**

—Company-based structures have been formed in electronics, machine building, chemistry and the biotechnologies, in the sphere of industry for man, and so on.

—The process of setting up companies with municipal property and citizens' companies—both individual and collective—is gaining pace.

—The May 1989 Plenum of the BCP Central Committee also set in motion the creation of a company-based organization in agriculture.

—**We now face the next step, namely of making the company-based structures emerge from anonymity and fully reveal their real possibilities and advantages.**

2. The other main direction in the practical work is to elevate the role of the new territorial communities, in the form of the townships, municipalities, and oblasts.

Considerable powers are being granted to the municipalities in fulfilling the premise of the July Concept on expanding local self-government, powers that they are increasingly mastering and exercising as fully fledged representatives of the people's power.

Through the new normative decisions,

—all basic funds in local industry, trade, communal economy, and urbanization, part of the construction sector, and the whole of the social sphere have been handed over to the municipalities.

—By the Decree on Use of Land and Organization of Agricultural Activity, the municipalities are placed in the center of land settlement and land use.

—The relations between the municipalities and the companies have been placed on an even more reliable economic foundation.

—This increases the financial possibilities of the municipalities and their own revenues, and creates preconditions for them to form their budgets from the relevant territory.

This year the people's councils of the municipalities and townships have 4,700 million leva available in their budgets, which represents about 20 percent of the country's collective budget.

—At the same time new legal and normative conditions are being created for the labor collectives and the whole of the population to take part in the formation of additional investment and other resources for the speedy construction of the municipalities' social infrastructure.

Now there is hardly any issue concerning man that is not a matter for the municipality, and that does not depend on the will of the population.

From what has been said so far we can conclude that the municipalities and townships already have the levers necessary for managing their territory, something that increasingly gives vital meaning to the premise on advancing from government in the name of the people to government by the people.

—We shall continue to assert this general line on strengthening the **territorial communities** as **real managers** of their territory.

—In this spirit measures have already been adopted by which the **newly established oblasts** gained many rights and responsibilities that until now were exclusively within the competence of the state organs.

Now most of the townships, municipalities, and oblasts are full of energy and potential, something that allows them to develop to a new level and truly assert themselves as vital social communities.

3. **By placing great rights and responsibilities in the hands of the social communities in terms of both production and territory, we revealed qualitatively new possibilities for developing the social sphere.**

We began to adopt **decisive measures for restructuring the health protection system, which brings health protection closer to man,** and to his direct need for health services and a healthy way of life.

—All the changes that have been adopted in **restructuring the health protection system,** in the economic and organizational **mechanisms** of health protection, and especially, in the **frontline** of the health protection system—the enterprises and city districts—are governed by this principle.

—Simultaneously, we shall increase **the pay and professional status** of those working in the health system.

With the new system of managing and organizing the health services priority is given to the interests of the consumers and those who perform health protection services, without infringing upon the achievements of our society such as a **free health service and the general availability of health services.**

Important measures are also being adopted for resolving **ecological problems.**

As far as the social security of the population under conditions of company-based organization is concerned, we have already prepared and will soon introduce new legal documents related to resolving issues in that area.

The main factor is that **every production and territorial community acquires the right to set up effective funds for social purposes and form associations for the development of these funds.**

—In addition to everything that the socialist state has provided and will continue to provide in the form of social security in the spheres of pension rights, health protection, and temporary disability insurance for all citizens, every citizen will be able to acquire much more significant social security benefits through his participation in the company and territorially based funds.

In other words, social security is being placed on a much broader and more democratic basis, something that increases to a new level the principle of social justice and its implementation.

4. In the **intellectual sphere,** in addition to the measures already introduced and related to organization, management, democratization, pay, and so forth, we shall adopt a special decree, on the basis of which the collectives and all creators from the fields of education, science, and culture will acquire much wider scope for expressing their professional interests, and powerful stimuli for developing their intellectual vigor for the benefit of our country's socialist renewal and the intellectual, social, and economic growth of the country and the people.

—This new legal-normative mechanism gives a special place to **setting up creative clubs, impresario agencies for the arts, and other similar enterprises, on the basis of the company-based organization,** that will be adapted to the conditions of the intellectual sphere.

As you can see we are developing the basic directions of restructuring in accordance with the July Concept. Although we are still at the beginning of this process, it will be consistently implemented in life, thus ensuring **direct and tangible results** in the interest of the people and each individual.

I would like to point out the following:

—**We place the comprehensive and consistent democratization of our sociopolitical and economic life and the guaranteeing of broad glasnost and socialist pluralism at the basis of all processes involved in restructuring the national economy and the social and intellectual spheres.**

We proceed from three basic principles in the approach to developing democratization.

On the one hand, we aim to create a modern socialist **civil society,** in accordance with which we shall **give great power** to the people, wherever they are living and working. We are constructing a **new type of organization,** which has extensive rights in resolving economic, social, and intellectual issues.

On the other hand, we are developing and enriching the "second nature" of the civil society: **the public organizations, movements, and independent volunteer associations.**

—Now we are working to restructure **the public organizations** with a view to turning them into **partners** and **opponents** of the relevant state organs.

On the basis of a decision by the Secretariat of the BCP Central Committee, we adopted measures on broadly **developing glasnost** in the work of the party and state organs and **informing** the mass media.

Committees of the Fatherland Front are already being formed on a local basis. They unite on a broad democratic basis all public forces that are working for restructuring and renewing socialism in our country.

The third principle relates to the fact that all structures in our society and their activity are being placed on a **legal basis,** on the **basis of the law.**

All this allows the socialist state to express itself even more as a state of self-managing social communities.

Returning to the figurative expression which I used at the beginning of this report, I would like to point out:

—The progress of our work until now shows that we are successfully constructing the first floor of our new socialist building;
—However, if we want to successfully conclude this enterprise and prepare conditions for building the second floor and the roof, **now it is necessary to deal with the fundamental issues,** which are the subject of this report.

Simultaneously, it is envisaged to adopt the necessary **amendments to the Constitution** of the People's Republic of Bulgaria and to the **BCP Statute** with a view to resolving the specific issues concerning the second floor and completing the construction of the building.

Subsequently, we are implementing a major strategic maneuver during the present period. It does not suffice to say that this is a transitional period. The processes that are taking place in this period will lead the socialist society in our country to a qualitatively new state.

As life has shown, there are ebbs and flows in this development. There also are difficulties, some of which cannot be envisaged. However, we did not imagine that the essence of restructuring would be any different. Because there is no sensible alternative, we must march forward in a prudent, realistic manner, full of firm determination.

Comrades, because of the special importance and urgency of the fundamental problems of restructuring, which have been noted, I think that it would not be an exaggeration to say that **those are problems that require revolutionary action, which will "cut" all "knots" in an uncompromising manner and prompt a bold and convincing movement forward.**

Furthermore, in resolving those problems we can only rely on taking a **complex approach.**
—This is an approach that has been coordinated with **modern realities** inside the country, in the economy itself, and in the international aspect of the issue.
—This is an approach that "synthesizes" all measures of our work and all objective and subjective factors that must be activated.
This is now the main and decisive factor.
—If we do not see and understand this, we, the **top level** of the party and state leadership, cannot work out and implement **the necessary policy** related to action along all fronts and in all units from top to bottom and from bottom to the top.

It is hardly necessary to repeat that we must **make a breakthrough** in anything related to the specific policy and its practical implementation.
—We are obliged by the decisions of the December Plenum, the character of the present situation, daily requirements, and the expectations of millions of people in our country to do this.

In conclusion we can say that **the objective development, the logic of the processes, and our own visions and developments that we must implement by not merely preserving socialism in our country, but by leading it to a qualitatively new state, require the following:**

—**A revolutionary concept** on profoundly restructuring society. We have such a concept!
—**Practical policy** and practical approaches to its implementation. Now we are called upon to deal with further specifying of this policy and its approaches.
—**Revolutionary actions on the part of all competent organs.**

Policy, and especially its realization—these are now the "hot points" of our work and struggle for restructuring the economy and the other spheres.

Whereas recently, beginning with the December Plenum, we outlined important strategic moves, now,

—we must more fully decipher these moves, and
—make a start on implementing these moves in practice everywhere, in an organized, progressive manner, so as to produce results.

In concluding these preliminary considerations, I would also like to stress the following:

When we discuss the issues, proposals, the approaches toward resolving them, the pluses and minuses, we must proceed from a number of starting points.
—In our criteria, assessments, and considerations we must bear in mind what is being proposed—an evolutionary solution and action or revolutionary ones.
—Undoubtedly, **the revolutionary solution**, being qualitatively new, unknown, and never previously adopted in our practice, **will encounter difficulties** and many votes "against," from the viewpoint of the stereotypes that have accumulated in the course of time.
—However, only this solution—the revolutionary one, in thinking, approach, style, and action, can now and in the future ensure the solution of the tasks.

Having said this, I now proceed to the specific problems.

The first fundamental problem concerns the strategic structural changes in our economy.

I consider that it is unnecessary to deal once again with the theoretical premises for the issues, since they are clear in principle.

The problem relates to the following:

—the need for a **new optimization,** a **new quality** in the correlations and rates of development between group "A" and group "B" and between the first and second subdivisions of social reproduction respectively;
—the premises embodied **in the genesis of Marxism,** by which we must be guided in working out a true policy and correct approaches in **resolving the contradiction** between the two subdivisions **in accordance with the new conditions**, present state, and future prospects of our economy; and, further,
—that in the structural reorganization of the economy we must turn **toward man**—toward his needs as a worker, creator, and consumer.

I will therefore only deal with a few points.

1. **The first point concerns in-depth structural changes in all branches, complexes, and sectors in our economy, including machine building, electronics, chemistry, biotechnologies, and so on, over the entire front.**

It concerns **new criteria**, by which we must measure, assess, and carry out the structural changes.

I refer to criteria that operate to redirect the economy toward man's needs:

—toward man, in order **to sharply increase the productive power** of his labor, and this not according to the homegrown standards used so far;
—toward man, **as a consumer** of goods and services; and
—toward man, bearing in mind his possibilities **as a creator and citizen** of doing what is required **to gain access to the fruits of modern civilization.**

If we apply the same common denominator to all this, this means radical structural changes that ensure the following:

—**a new standard** in the domestic market;
—**new resources** and breakthroughs in the foreign exchange field; and
—a renewed technological backbone and **a different profile for our economy** in the international division of labor.

Without slavishly adhering to any positions, authorities, or interests, we must gradually, but consistently cut out, as if with a surgical knife, everything from our economy that does not function effectively for Bulgaria and her people.

2. We must **also carry through our line regarding production sharing and cooperation within the framework of the socialist community and in the worldwide economic division of labor** on the basis of radical views and solutions for the global structural reorganization of the economy.

The first consideration in this connection is that we are called upon to raise our cooperation with the socialist countries to a qualitatively new level.

—The structural changes toward which we are orienting our economy must proceed first and foremost, figuratively speaking, hand in hand with production sharing and cooperation with the Soviet Union.
—It is hardly necessary to stress the fact that intensive work is being done in the USSR on in-depth structural changes in the economy, and on its social reorientation.

The second consideration is that we must seek new forms and approaches to cooperation with companies from the nonsocialist countries.

—In many spheres we have sufficient experience, recognized specialists, capacities, and intellect.

Authoritative Western companies also are willing and ready to cooperate with us. **The main factor in the sphere of these contacts now is not to confine them to the narrow framework of our internal needs, but to develop them within the scale of our new cooperation with the USSR and the other countries of our community.**

Production sharing and science and technology sharing must be one of the principles of our economy's structural reorientation.

This formula must be applied everywhere and in every production sphere.

3. **On the basis of this premise we must also pose and resolve in a new manner the issue of the priorities in the structural and technological development.**

I shall not go into detail on this issue, and will only cite a few examples.

As you know, several years ago we achieved a breakthrough in the field of electronics, and developed this branch very rapidly.
—This was a strategic move which produced results over a long period, and it is still doing so.
—However, times change. We all are familiar with the situation.

Consequently, we are constantly faced with the question of how to advance to new positions in this sphere.
—**We cannot do so without electronics.** However, **we also cannot develop electronics further in the present manner. This is because the great results in electronics are**

achieved by gigantic concentrations of capital, investments, intellect, and experience. This is something that only supercorporations and supereconomies can achieve.

Consequently, we must arrive at a new premise and conclusion, of which there are two aspects:

—**First, we must find out in what spheres of electronics we can continue to be sought after partners in cooperation with the USSR, the other socialist countries, and companies of the nonsocialist countries and in which we can continue to achieve profitability and quality that matches the best performances;**

—**Second, we must restructure not only electronics, but also all other economic branches, and turn our economy into a new technological and structural entity.**

This is the philosophy. Anyother philosophy of priorities and so forth will only lead us into mistakes and troubles in electronics and any other branch.

4. **The philosophy I have in mind and its implementation in actual policy and its specific political implementation requires us to review all scientific projects in the separate branches from the positions of the global structural changes in our economy.**

Now we are working in the sphere of metallurgy, and there are also certain scientific projects in electronics. In the fields of chemistry and biotechnologies we have dealt for a long time with these issues and certain important problems have been resolved. There are also scientific projects and initiatives in the other branches.

However, these scientific projects need a "common root" and a clear notion of how each of them individually and all of them together can contribute to the global structural changes.

—We must make the appropriate conclusions and start additional developments, and if necessary—redevelopments—immediately. These tasks must be fully implemented by the competent government organs.

In this area it is necessary for us to return again to the multiplier [multiplikatsionnaya] approach and develop its real possibilities in implementing the necessary structural changes.

—As you know, while this approach was developed as far back as 10 years ago, it was only partly applied in some areas of machine building.

—Now, when we proceed from new realities and conditions in applying the multiplier approach in practice, we will be able in practice to implement the structural changes in a more effective and radical way.

Before I proceed to the next issues—economic accountability in convertible leva, the stock-holding principle, the banks, and capital exports and imports, in the widest sense of these concepts, I would like to clarify the following:

The implementation of the structural changes in the economy depends to a large degree on all these issues, and more particularly, on their implementation.

—Revolutionary structural changes must be carried out in a purposeful manner.

—The comprehensive resolution of the other problems must lead to the achievement of the structural goal.

I am pointing out all this not simply out of love for a scientific-type presentation, but because I want to make it clear that the ends and means must not be confused. This would be unacceptable.

This again compels us to present the structural changes as the "number one" issue. This is one aspect of the issue.

The other aspect is that, among the remaining range of problems, we must get to grips with "the crucial link," otherwise, when we, as it were, pull the "chain" of structural reorganization—both strategically and tactically, there will be no radical change in the state of affairs.

—A partial effect will occur, but nothing with revolutionary dimensions and results.

Why do I regard the radical maneuver in the foreign exchange field as the second problem, "problem no 2," in this whole global range of problems concerning the revolutionary restructuring of our economy?

I would immediately like to add that here I will only set out matters **in principle.**

First, we must make timely preparations and not delay in the transition to the convertibility of the Bulgarian lev.

As you know, the problem of the mutual convertibility of currencies is being widely discussed by the CEMA member countries.

We are also obliged to undertake corresponding measures in a timely way. Otherwise, we would find it impossible either

—to make a realistic assessment of our own economy in contemporary conditions, or

—to see and note the real efficiency of our agreements with the Soviet Union and the other socialist countries.

Accordingly, right now we must outline the path toward convertibility of the lev, and make a start on this path. **Second,** unless we adopt this approach, we will not be able to really bring our prices into line with the selling prices on the international market, because the units of measurement and rates of exchange used previously do not correspond to the real value of our lev or to the value of what we produce and offer for export.

—Clearly, unless we introduce clarity into the value of our output with regard to the foreign exchange portion of this value, from the initial to the final stage, we will only be speaking about reorganization of price-setting, and so on.

Third, unless we ensure the transition to convertibility of the lev, we will not be able to **bring our companies out of the hothouse conditions** of the status quo and priorities applied previously.

—Otherwise, how can we count on the mechanism of competition, on breaking monopolism, on really incorporating the "external factor" in the activity of our companies, or on finding lasting solutions to the problems relating to raw materials, goods, and services in short supply?

—It is more likely that we will achieve partial, evolutionary changes.

—However, such changes are already impossible for us, with such changes we would find ourselves "fallen overboard" in the world economy, and they would also doom us to backwardness within the CEMA framework.

Fourth, how can we get the structure of interests moving, starting from personal interest, unless we make it possible for our worker and citizen to also receive part of the pay for his invested labor in the form of internally convertible leva?

With leva, anyone who possesses them:

—may buy any goods within the country (including imported goods), and

—may change them at the relevant exchange rates into any foreign currency, and may travel when and where he wishes.

Finally, how will we be able to provoke a real "hunger" among the companies to increase exports, the country's foreign currency resources, and their own possibilities for efficient reproduction, unless they, the companies, have part of their profits available in internally convertible leva for this purpose?

—In the absence of a mechanism for making use of part of their profits in internally convertible leva, they will all again wait for the state, and will operate so as to weigh down the foreign currency balances.

Fifth, unless we take account of the real foreign exchange component through the mechanism of the internally convertible lev, we can no longer conduct the required analysis of the economy, we cannot be sure what the priorities for structural changes are, or where we should concentrate efforts and resources.

—However, this assessment is vitally necessary to permit the transfusion of the capital base on the shareholding principle to also develop in the most effective directions.

Please excuse me for making a crude comparison, but unless we work out the mechanism of convertibility and put it into effect consistently and by stages, our competent organs and the economic workers would be tilting at windmills, like Don Quixote, in their efforts to resolve the cardinal problems of the economy under the new conditions.

Why is this so?

It is because we will have no clear idea of the profile of the objective realities, nor will we know where to start from.

—One would merely be tugging the rug to this side and that, but this will not make it any wider.

The problem relates to synchronizing all the reforms, all budget estimates and developments, as well as the requirements of the normative documents and their application, with the mechanism of transition toward convertibility of the Bulgarian lev.

It should be clear to us that, unless we cope with the problem of the convertibility of the lev, we will not resolve a single issue in a revolutionary way—in the economy, in the social sphere, and in general over the entire front of renewal, which includes the technologies, the forces of production, living standards, and the new incentives for labor and stimulating interest.

This is the situation we are in, and these are the requirements of the situation.

Regarding the question of how we should arrange the time by stages, in the transition toward the convertibility of our lev, first internally, and then proceeding to its full convertibility, I will add the following.

We can engage in many arguments, and assess different alternative versions, but in proposing and adopting a **final solution,** we must take **two things** into consideration:

—**first, the step** that we must prepare to make next year **should be an optimum one** (both in its scale and the speed at which it is taken), otherwise we will be unable to "make the turning point"; and

—**second,** at the same time it should be clear that, **unless we ensure that this step is sufficiently radical** and extensive, **the "turning point" will be pointless for us,** with all the consequences that stem from this.

Yes, it is true that if we apply the mechanism of internal convertibility and economic accountability in convertible leva to the activities and the results of considerable numbers of our goods producers in the priority sectors of production, they will find themselves in a serious situation.

—They will end up in this situation if they continue to act as they have done previously, using ingrown standards and criteria for profitability, and outdated approaches to international specialization.

However, the chief question for us now is: Will we be competitive in the international market or not?

—No other question can be posed under the new conditions, and this relates both to the state and to every goods producer.

—We must subordinate all our approaches and actions to this question.

This is the first point.

Second, we will proceed gradually toward convertibility of our lev, and we will seek the optimum steps both from the domestic viewpoint and when we agree matters with our partners within the CEMA framework, first and foremost with the USSR.

This is how the second problem looks, this is the scale of its importance and immediacy, and it is from this viewpoint that we should assess the relevant proposals and provide the necessary recommendations and directions for specific work.

I have already had an opportunity to talk about the **reserves** that must be created in fulfilling the plan, in the foreign exchange field, in order to improve the state of the market until the new mechanisms begin to manifest themselves and come into effect.

Accordingly, I will not speak any further about matters connected with the plan, reserves, and so on.

However, before concluding my remarks on the second basic issue, I would like to make a further point.

Now matters are proceeding to a point, and the mechanisms that are in operation are such that **it would be possible for the state to go bankrupt from the foreign exchange viewpoint without the companies, which are actually debtors as regards foreign exchange, being directly threatened by the bankruptcy.**

The premise must be different—companies and commercial banks may go bankrupt, but the state, never!

The next issue, the third, concerns transforming the companies into joint stock companies and resolving by legal means the issue of developing the possibilities of the shareholding principle.

Some preliminary remarks have been made concerning the relevant documents. Most of these remarks are reflected in the latest versions of the documents with which we acquainted ourselves at the last session of the Politburo, and on which we adopted an appropriate decision. Accordingly, there is no need for me to deal with this matter any further here.

—I agree with the arguments that in order for these premises and decisions to be effective, it is necessary to create the necessary economic conditions.
—These arguments are indeed fully justified.

Most of all this relates to the need to successively create the following conditions when putting into effect the proposals for transforming the companies into joint stock companies:

—**the necessary conditions and climate, through the entire system of economic levers,** to stimulate the processes of transfusion of capital (not only production capital, but also banking capital, for merging the two);
—**adequate guarantees** for the equal participation of the different forms of management of socialist property when they take part in the shareholding mechanisms;
—**unacceptability** of actions leading to **distortions in interests**, relating, more specifically, to **capitalization of income** on a shareholding basis to the detriment of society; and
—a lasting link between shareholding participation in activating the "external factor" and the results throughout the country of the activity of our joint stock companies, and intensifying control in this respect on "input" and "output."

It will constitute a serious omission if the normative documents for applying the shareholding principles are not synchronized and coordinated:

—with the new documents (the draft decrees for creating a new fund-based organization for social security within the companies, at a national level, and on a territorial basis; the proposals for income tax, movement of labor between companies, the mechanism for retraining of cadres, and so on).

Most of all, the solutions embodied in the documents must conform to the requirements relating to convertibility of the lev and the creation of economic accountability in convertible leva.
—In this way, not only will the state be able to more fully control matters at the "input" and "output" points, but also we will better regulate the processes of releasing the shareholding form of property management and its advantages.
—In this way capital will accumulate in the very places where it is vitally needed for the economy and society.

In discussing this problem, we must adopt a clear standpoint, and accordingly adopt optimum measures and take practical actions in relation to a very important aspect.

I will remind you in this connection that last time, I placed **the stress on administrative economic measures.**

However, let me offer a further explanation in this connection—not only regarding the shareholding principle, but also concerning the action of all the economic levers, which should be aimed at one thing only, namely they should operate for structural and technological renewal. Concerning the initial accumulation of capital, Marx supplied the idea of "the coercion, which played the part of midwife" in the evolution of the new processes.

We should return to this idea, in order to decipher and **follow this fundamental premise embodied in the genesis of Marxism in accordance with present conditions.**

—I am not dealing here, for example, with the question of where we stand in relation to the accumulation of capital on the basis of economic concentration. It is clear that we must travel our part of the road.

The chief, more important thing for us now is something different:

—**By means of the economic levers and administrative economic means, the socialist state should, by acting at the points of "input" and "output," gradually direct the shareholding form toward concentration of capital, in the form of investments, technologies, foreign exchange, and manpower, in the places from where the structural changes will start to operate most quickly and effectively.**

—It will be idle for us to wait around now for the companies to manifest themselves as shareholding organizations and attract and accumulate capital in the most important areas without compulsion being applied by the state.

Accordingly, our approach should be to apply all the levers in an integrated and flexible way, toward one goal: profitability, tax schemes, price-setting, subsidies, economic allowances, and penalties.

—The mechanism of internal convertibility and economic accountability in convertible leva should also be "written into" this system of levers.

On this basis, it should become clear who is making profits and contributing more to the state in the domestic and international markets, who is developing so as to ensure breakthroughs in this direction both now and in the future, who should go bankrupt, and so on.

The state should gain more when the relevant company or individual worker gains more.

—This is the way to enable capital and interests to form "at the bottom," and for the shareholding mechanisms to develop.

—However, this also requires a new, qualitatively different reallocation of resources, including from the center.

If this is not achieved, we will continue to speak idly about shareholding participation, and the state will continue to be the "sole shareholder" in many companies, which will continue to be carried on society's back, while we will bring "to their knees" other companies, which are able to develop, work, and contribute more.

If we fail to break with this approach, if we do not change the whole system of economic regulators into a different set of administrative economic actions, into a different set of conditions, then we will not obtain anything from the shareholding form.

Thus, in this instance, when one speaks of coercion acting as a midwife, this applies to a change in the behavior of both the companies and the other organs and organizations. So much for the joint stock companies.

The fourth problem concerns the role of the banks and their activity under the new conditions. Let us take the premise of control through the lev.

The bank has drawn up a complete package of documents providing specific normative instructions, and is putting them into effect. The bank:

—imposes penalties for violations of the relationship between growth in labor productivity and growth in wages;

—imposes penalties for nonfulfillment of obligations;

—imposes penalties by increasing interest rates not only for nonfulfillment of state orders, but also for nonfulfillment of contracts of any kind;

—refuses to grant credits in the case of a first, second, or third offense, and so on.

Penalties, penalties, penalties! However, have there been any results? The answer is yes, but only partial results.

It must be pointed out that the bank has considerably extended this control, grabbing everybody by the throat, and all this in major contradiction with the premises of the Decree on Economic Activity.

—This is because according to this decree the companies themselves and their leaderships assume a number of new responsibilities.

—And because, according to the text of the decree, the bank must concern itself most with the efficient utilization of the credits it has granted.

However, let us ignore this contradiction (we could say that we are in a transitional period, a period in which the companies are relinquishing their anonymity, and so forth.)

The problem lies elsewhere. It lies in the fact that the bank cannot rid itself of the administrative-executive techniques applied to date, because it is compelled:

—to supply credit (ostensibly at the expense of the budget);

—to provide credit in many cases which do not accord with the criteria of efficiency.

In the final account it is the bank and the state that lose, means are being frozen in inefficient spheres of production, credits become subsidies, and so on, and so forth. There is no highly developed country in which the bank is placed in such a situation.

—Naturally, there are more liberal and "stricter" banking systems.

—However, if we look at the most stable state or federal banks in the FRG, Switzerland, the Netherlands, and the United States, we will see that the governments of those countries can implement almost nothing by ignoring the bank or its efficiency requirements.

I do not mean here the monopolization of banking (I shall return to this point later). What I mean is the **really necessary power and responsibilities which the bank must have under the new conditions.**

—In many aspects the bank must be **not only an associate, but also an opponent** of the government, and adopt independent decisions.

—Otherwise we shall continue to walk around the same track and merely speak about control through the lev, while the bank will remain state paymaster.

—Otherwise we shall not be able to turn **the bank into one of the most important factors in the structural changes,** and improve things in the foreign currency area, including putting the budget on a sound basis.

The new code of regulations for the banks could be a very positive factor and solve many important issues; however, if it is not coordinated with the aforementioned requirement, it will not be sufficiently effective.

Subsequently, we must now give a further impetus to restructuring of the banking system and bring the banking activity much closer to the companies and their units. Also in this area we must take a new step toward overcoming the remnants of monopoly in rendering banking services to companies and citizens.

To a large degree, the basic principles of restructuring our banks, adopted by the BCP Central Committee Politburo on 27 February 1987, have been topical until today, in the light of the decisions of the BCP Central Committee December Plenum.

For example, this applies to the requirements that **the banks must recognize and grant credits only to enterprises that are efficient and are making money; that nobody can force a bank to give credit to inefficient initiatives; and that when the state is interested in financing a certain project because of social or other considerations, it must be the state that ensures the appropriate resources.**

As far as the premise of organizing the banking system by establishing special commercial banks which are integrated with the existing economic centers (the associations) is concerned, obviously, in this area things **must be clarified under conditions of company-based organization.**

—This is because with company-based organization we are creating **a fundamentally new economic structure.**

—In this context it is purposeful to further **restructure** the **organizational structure of the banks.**

Until now a large part of the banking services for the commodity producers have been performed by the Bulgarian National Bank and its branches throughout the country, which are not independent banks.

In order to bring the banking activity closer to its direct customers—the company structures—it is necessary to turn the territorial branches of the Bulgarian National Bank into joint stock commercial banks;

—they must belong to the interested companies;

—or to the Bulgarian National Bank and other banks.

Those commercial banks must be created after a careful assessment and decision of the Board of Managers of the Bulgarian National Bank, with the participation of the chairmen of the specialized commercial banks. Precisely as the existing banks the new commercial banks must have economic independence in relation to the companies that participate in the bank as stock holders, and in relation to the Bulgarian National Bank.

A proposal has been prepared to create in this manner about 60 independent joint stock commercial banks on the basis of 130 of the existing branches of the Bulgarian National Bank throughout the country.

—It has also been envisaged that (in accordance with their state and possibilities at the present stage,) 34 of them will be without branches, while 26 will have branches.

Both the new and the existing banks must further develop the scope of their activity;

—they will do this by acquiring the right to grant the companies short-term, medium-term, and long-term credits in leva;

—and by servicing these credits on a current basis by maintaining accounts in leva and also making payments in leva.

Instead of the Bulgarian National Bank keeping all free assets from the other banks, as the practice has been until now, in the future the banks will have the right to freely contract for lending money at interest, in accordance with the new premises on more free movement of financial resources in the country. Depending on the type of bank, the Central Bank will determine the limit of the obligatory minimum reserves, which banks must keep in interest-free accounts in the Bulgarian National Bank.

—Lower limits of reserves in the Bulgarian National Bank would mean more money in the hands of the commercial banks, and consequently, in the economy.

The control exercised by the banks will be stronger, because the possibility of rendering complex services to the companies by banks that have been selected voluntarily, becomes a reality under the banks' new structure and functions.

—I mean both granting credits in leva for capital investments and turnover means and their servicing in leva.

It is worthwhile that we also discuss and resolve the following issue as is done by countries with better developed economies, namely: **whether the interest on all credits should be paid by the companies as an expense included in the prime cost of output,** or from profits before taxation.

—This will sharply increase the economic interest of the companies in sparingly and efficiently using the banking credits.

—The adoption of such a decision, along with everything else that has been said, will place under equal conditions (in this aspect) the foreign companies in anything related to their activity abroad and in Bulgaria.

As far as monopoly in banking activity is involved, I shall note the following factor that emerges now:

—There is a strong resistance on the part of the established and active commercial banks, which exist in various production complexes, to the necessity of giving certain new functions to the existing territorial branches.
—The present commercial banks prefer that those branches remain their own, and not to develop into competing units.

We must confront this issue in the nearest future.

Concluding the part related to the banks I must repeat: **greater independence must be given to the central bank and all commercial banks, and appropriate specific measures must be adopted, which must lead to convertibility of the lev.**

We must be clear about the responsibilities:

—I mean the responsibilities of the bank, the budget, and the organs of price-forming and price control.
—They all must leave their state of anonymity.

We need a powerful central bank and powerful independence and competition on the part of the commercial and joint stock banks. They must merge with the companies and struggle for their own survival and the survival of the companies—this is a necessity.

A commercial bank may go bankrupt, the national bank—never. This is our premise in this area.

Let me repeat again that we must take into consideration the fact that the principles of banking restructuring will really start working only when we introduce a system of prices and price-forming, that transfers to our country not a static, but a dynamic correlation between prices and the world markets, while maintaining a realistic rate of the foreign currency vis-a-vis the lev.

The fifth problem, naturally not according to its importance, is the one about the export and import of capital in the broad sense of this phenomenon.

This movement of capital is a permanent element of the complex approach to resolving other fundamental problems, such as:

—the structural strategy;
—the transition toward covertibility;
—and developing the shareholding principle and the banks' activity.

What does the main issue come down to?

It comes down to a certain contradiction, which has appeared in the development of our economy.
—On the one hand this is an economy with a broadly open character.
—However, on the other hand, it appears to be a closed economy, because we still do not have a market for raw materials, production means, and so forth, both in the domestic aspect of the issue, and in anything related to effective participation in the world technological exchange.

It is this contradiction that we must not only assess, but also bring its solution "out of the equation's brackets" through our participation in the internationalization of the capital market.

—I mean the creation of conditions and preconditions, and especially, of **adequate national forms** of our participation in the world market.

This is the road toward internationalizing our economy, giving an impetus to the development of production capacities, and cooperation with the most advanced countries on the basis of mutual benefit.

In setting up these new forms, which in essence operate as industrial-financial groupings, it is very important to direct the efforts and interests of both the producers and the banks in an integrated manner.

—It is hardly necessary to remind you that at present our participation in such national forms relates primarily to trade. However, this state of affairs is already extremely inadequate.

I will give an example.

How can we convert our electronics industry for the needs of man, by expanding everyday electronics and electronic technologies that serve man, unless we engage in a new form of production sharing in the relevant types of production with leading companies in this sector, from both the socialist and nonsocialist countries?

We cannot and will not be able to do it.

However, if we correctly implement the approach of linking ourselves up with an appropriate international grouping, we will be able to enter the market for the supply of components, complete assemblies, and technologies—over the entire front.

—At the same time, by exporting capital in other directions in this market, we will be able, without struggling with various inefficient and unpromising structures, to supply the necessary products within the country.

In this way, we can bring our economy into a state of dynamic equilibrium and transform it from a closed economy into one that is open to all new and progressive elements.

Figuratively speaking, our economy must swallow everything that it needs and reject everything that causes it losses, both now and in the future.

Of course, in order to expand the internationalization of our forces of production by means of adequate supranational forms, a number of specific prerequisites and solutions are required.

—Here the issues again concern a new scale of production sharing, a new adjustment of the taxation system, pricing, and so on, and the introduction of economic accountability in convertible leva.

—Last but not least, the matter at issue also relates to a complete restructuring of our companies' system of financial and bookkeeping accountability.

If the first problem is to stimulate the interests of the companies and banks in taking an active part in supranational associations, then the second problem is to regulate and direct this process as a policy of state;

—A policy that is based on the principles and possibilities of the **unity and indivisibility of socialist property** and which realizes the advantages of these principles in practice;

—A policy that directs the internationalization of the companies and movement of capital (its import and export) in **the crucial directions that will push the economy ahead** toward the desired structural changes.

Before finishing with this issue, I would like to stress that the present report does not deal exhaustively with all the problems, but only with certain fundamental problems in the restructuring of our economy. Yes, I am referring only to **some** of these problems.

—We are well aware that other problems also exist in our economy, problems that with very good reason could be defined as very important.

—**At the same time, it is far more important to acknowledge that the problems raised in the report are of exceptional significance, and that it is wrong at the present time to underestimate them in any way.**

Having emphasized this, one should take into account both the requirements at the current juncture and the prospective development of our economy. Why is this so? It is because the solution of these problems will provide an **impetus** in "cutting through" almost all the other crucial "knots," while at the same time we will ensure a **sound start** for a broad offensive in the next period, especially during the years of the coming 5-year-plan period.

Thus, this relates to a maneuver that concerns the present and future of our country and of our economy.

With regard to other problems that must be worked out and solved along with the problems outlined in this report, this work is the right and responsibility of the competent organs, of the socialist state.

In short, **the socialist state must play an especially important role in raising the efficiency of our economic, scientific-technical, and production-financial potential, by organizing its integration within the world economy.**

Comrades, we are all becoming increasingly convinced that the range of problems that we are examining is no accident, that they are indeed fundamental to the conditions of the company-based organization for renewing the economy.

We have already agreed not to raise the issue of reserves, but I must draw attention to **the need to create one reserve, without which no work would start either on tactical issues or on the global problems.**

I refer to the organization of the work, which must be set up without fail, an organization without which we would not advance this time by a single step.

1. **Since the problems are complex, all competent organs should take part in solving them.**

For example, as already pointed out, we need a new analysis of the state of the economy, new estimates, which are not based on previous standpoints.

—Everyone must engage in this work, including the new office that is being set up to coordinate economic activity, the Ministry of Planning and Economy, the Ministry of Foreign Economic Relations, the bank, statistical administration, and so on.

—It is necessary on this basis **to combine and synthesize the development projects** from the various branches of industry, according to sectors, to ensure the uniform structural reorganization of the economy at the macro-level.

—**The task** of determining in real terms the rate **for convertibility** of the Bulgarian lev within the country also **requires** cooperation between the various competent organs and **the development of a common position.**

Last but not least, all innovations in the normative legal base must be carried out in an integrated and consistent manner.

2. All this must **be carried out using a uniform algorithm,** so to speak, according to fixed deadlines, schedules, and tasks, and **with iron discipline.**

In general, the previous approach used in solving the problems—which was like the work described in the fable about the eagle, the crab, and the pike—must be abandoned.

3. **The work on all the analyses, estimates, proposals, and drafts must be conducted from a single center, within the government.**

—The government must also decide who is to be personally in charge of all this.

—Under these conditions, there is no further need for the functioning of an Operations Headquarters attached to the Politburo.

—At a certain stage, discussions may take place here, in the Politburo, of information reports on the progress of the work, the deadlines, and the results.

In this connection I would like to make two important points.

First, our viewpoint is that the Council of Ministers and the social communities, including the territorial administrative and executive organs, should increasingly assume the necessary powers and appropriate rights and responsibilities to expand their efforts to solve the problems.

—This entails both relieving the Politburo of certain day-to-day operational functions connected with arranging and organizing the fulfillment of tasks in the field of the economy and in other spheres, matters with which the government should concern itself, as well as granting rights and responsibilities to the local organs of self-management.

This transitional period of power transfer from the top to the bottom must not be delayed, but should be completed within short deadlines.

Since the government is authorized to organize and ensure the specific planning of strategy, and to carry through the necessary approaches and measures for solving in an integrated manner the fundamental problems of restructuring the economy, the following will be correct:

—The Council of Ministers should prepare within the shortest time both an overall program for a broad offensive to solve these problems, beginning with the next 5-year-plan period, and also plan and put into operation measures that will have a direct effect within the next 2-3 months, in relation to the current requirements of the economy.

—At a certain stage, for example toward the end of this year, **the government should set out its own standpoint on these issues, by making an appropriate declaration in the National Assembly.**

The second point is connected precisely with increasing the role of the National Assembly as a supreme organ of government.

It should be pointed out that the Politburo of the BCP Central Committee has been devoting great care and attention, including in recent years, to strengthening our parliament and raising the effectiveness of its work both as a supreme legislative body and in the field of exercising control over the executive and administrative organs of power.

The intensive work that was conducted in recent years and the important laws that have recently been adopted by the National Assembly are well-known.

—The role of the National Assembly commissions increased. Now they are functioning as "small parliaments." Now those commissions are headed by members of the Politburo and the State Council.

They discuss important issues of the appropriate spheres, as well as the activity of the ministries, the committees of the Council of Ministers, and other executive organs.

—Our idea, embodied in the July Concept, is well known: The National Assembly must become a constantly functioning corporation.

Thus, much has been and is being done to improve the activity of the National Assembly; however, the very model of the National Assembly has become obsolete and it must fundamentally change. In order to do this we must introduce essential changes in the comprehensive legal superstructure and, more specifically, in the Constitution. We are already working on this task.

4. Since, in solving the fundamental problems of economic restructuring, we need an approach and way of organizing that are unconventional for our conditions, we must take into consideration the fact that, while the government and other competent organs are analyzing and assessing the works and results, they must not consider provisions such as:

—"This could not be done because such and such conditions were necessary; in order to do something we had to envisage something else, and so forth."

Generally speaking, **all measures must be organized so that all opposition to the new factors along the entire chain of command, including opposition based on subjective reasons, wherever this may be, must be blocked.**

5. As far as concerns our assessment in the Politburo of what has been accomplished and how it was accomplished, I would like to draw your attention to just a few factors:

—**The problems that we are discussing acquire more and more a political character. They affect the future and present of our country and its socialist construction.**

—If needed, we shall continue the "breakthrough" from the top, as we began in the government, because no matter what breakthrough we organize from the bottom, regardless of how correctly we develop it, wherever people are working and living the breakthrough must also be intensified and strengthened by a breakthrough "from the top."

Before I raise certain concluding issues I would like to point out another very essential factor.

It relates to the fact that **resolving the aforementioned fundamental problems of economic restructuring is inextricably bound up in a synthesis with the issues of the production capacities and production relations.**

—Thus, we bring forward the cardinal task of giving **an impetus to production capacities in the advance toward a new technological manner of production**—by carrying out radical structural changes in the economy, which in the final account are oriented toward man.

—Simultaneously—using both structural changes and the entire complex of levers related to their implementation, from the mechanism of lev convertibility to

capital export and import—we reveal broad scope for the adequate and **revolutionary influence of production relations on the development of production capacities.**

Comrades, it is in these directions that we concentrate our activity after the BCP Central Committee July Plenum.

This is the realm of our successes to date and in the future, as well as our difficulties to date and in the future, in renewing society.
—This renewal, as we have pointed out in the past, can only be a revolutionary one.
—Our motherland vitally needs precisely such a renewal.

What is the main factor?

The main factor lies in **overcoming the primitive peasant thesis** that nothing is higher than mount Vitosha and nothing is deeper than the Iskur River.
—We must finally implement that "threat' of ours.
—As you know, we tried and are trying to implement certain things, but unfortunately **the results turned out to be** not as high as Mount Vitosha and not as deep as the Iskur River.

We cannot continue to act any longer in this manner.
—Some leading cadres and specialists **continue to be prisoners of the simple peasant thesis** this "style" of thinking and acting, and if you will, this manner of living.
—If we do not stop assessing ourselves by our home-made criteria and face the world standards, we shall not be able to conduct the revolutionary restructuring.

It is clear as day that if we continue to be slaves of obsolete notions, one day **we shall understand the wisdom of the ancient proverb**:

—"Iliya's new clothes really are his old ones."
The problems we must solve and our approaches are known.
—What we need now more than anything else is **organization, discipline, and initiative.**
—We need these factors from the bottom to the top and from the top to the bottom, beginning from the Politburo and down to every worker, from the worker who just begins his activity to the veterans of the party and the socialist economy.

Allow me to tell you a little joke. As you know, **the carps do not move, especially when their belly is full, if one does not throw a pike among them.**
—We, more than ever before, **need "pikes" at all levels** in order to set all the "carps" in motion.
—We have **wonderful people** and a **great army of thinking, knowledgable, and able cadres.** We are proud of our **people** and **cadres.** It is necessary to support and stimulate their initiatives and deeds and open the road for their creativity and boldness.

Yes, we need "pikes"—attacking, aggressive, and brisk "pikes" which must raise waves in the "fish ponds."
We need those "pikes" everywhere—in the economic sphere, in intellectual life, and in management.
—We must not only seek and select them, but also direct them in the right direction and utilize their entire potential.

As far as the "carps" are concerned, only those who will adapt to the new situation will survive.
Comrades, please excuse me for this "fisherman anology," but it graphically expresses the state of affairs and our tasks.
—The processes must accelerate.
For this we need for Iliya to really change his clothes, for the fish ponds to begin to boil, and for the pure streams of construction and Bulgaria's socialist future to begin to flow.

Now the time factor acquires invaluable importance. The decisive thing is to correctly understand that the essence of this factor is not actually determined by the calendar, but by the intensification of our efforts and our skill to organize in a better manner, and to begin to work fully in accordance with the necessary responsibility and discipline.

The struggle for overcoming the difficulties in manpower that recently emerged show that our potential possibilities are great. However, in order to activate them, find a new place for our thoughts and deeds, and implement real breakthroughs, it is necessary to clash with the problems and conduct a sharp and uncompromising struggle against the routine.

The most important factor now is to create such an attitude, mechanism, and style of work. Thus we, as a party nourished by the ideals of socialism, will respond to the historical order to renew our socialist society.

With the proposed measures we shall strengthen and accelerate the processes of restructuring. The role of the masses is a decisive factor in this undertaking. The working people, who created the historical achievements of our motherland which is preparing to celebrate the 45th anniversary of the victory of the socialist revolution, will undoubtedly support these measures of ours, because they are the guarantee of increasing our country's economic power, creating more favorable conditions for the development of intellectual life, developing the democratic processes, and raising the people's standard of living and Bulgaria's prosperity.

Proceedings Against 'Appeal' Group Outlined
AU3107134489 Prague RUDE PRAVO in Czech 29 Jul 89 p 2

[Interview with Major Jiri Belohlavek, press spokesman for the Federal Ministry of the Interior, by Igor Sirota: "A Fine of up to Kcs20,000; Questions for the Federal Ministry of the Interior's Press Spokesman"—date, place not given]

[Text] At the RUDE PRAVO editorial office we have received letters from our citizens, letters which condemn the "Few Sentences" appeal made by illegal groups. However, some of those who openly and sincerely expressed their opinion have received anonymous letters full of insults and even threats. The "defenders of the appeal" have threatened bodily harm and even death. This cannot go unpunished. For information on how the security forces proceed in such cases we asked Major Jiri Belohlavek, press spokesman of the Federal Ministry of the Interior, for an interview.

Officials from the security forces immediately initiate an investigation after an anonymous letter has been made known and handed over to them. After the writer has been ascertained the degree of social danger is established. According to its nature and seriousness, it is possible to qualify this behavior as a minor offense against public order, in accordance with Paragraph 6, Section "c" of law number 150/1969, as published in the Federal Assembly Legal Measures of 14 February 1989. In this case, it is possible to fine the culprit up to Kcs20,000 or sentence him to 6 months imprisonment. In cases where the culprit threatens death, greivous bodily harm, or such actions that can arouse an individual's justified fear for his life or health, it is possible to qualify the culprit's behavior as the criminal offense of violence against a group of citizens and against the individual, according to Paragraph 197 of the Penal Code.

In connection with threats, 16 individuals in the Czech Socialist Republic [SR] alone have been investigated for this minor offense against public order.

[Sirota] And what about those who disseminate various kinds of "appeals" and pamphlets, who collect signatures, and who propagate illegal literature?

[Belohlavek] According to the nature of the matter and its seriousness, it is possible to qualify this behavior as a misdemeanor against the measures intended to increase public order, in accordance with Paragraph 1 of the Czech National Council Presidium Legal Measures of 17 February 1989, when a fine of up to Kcs10,000 can be handed down. In more serious cases, the matter can be considered as a minor offense against public order and the culprit can be fined up to Kcs20,000 or sentenced to 6 months imprisonment. In less serious cases we issue a caution. Since March a total of 60 people in the Czech SR have been investigated for this antisocial activity.

[Sirota] Criminal action can be and is being taken against people who issue threats and against "agitators." What happens in the case of organizers of various publications and other events that apply pressure of an antisocial character?

[Belohlavek] Altogether this involves criminal activity against the foundations of the Republic. In specific cases such behavior is legally qualified according to the appropriate stipulations of the first paragraph of the Penal Code. This will be the procedure, if applicable, in the illegal dissemination of all other antisocially oriented literature. This is so in the case of the illegally disseminated "Few Sentences" appeal. The National Security Corps investigator has initiated criminal proceedings for the criminal act of incitement, in accordance with Paragraph 100 of the Penal Code. At present, the usual procedural operations are taking place—interviewing witnesses, house searches, and expert consideration of the facts so that the criminal responsibility of specific persons can be established.

[Sirota] Thank you for the interview.

Rally for Alternative Military Service Planned
AU3107121989 Vienna KURIER in German 31 Jul 89 p 3

[Text] A rally for the introduction of alternative military service has been planned by members of the CSSR civil rights movement for today, Monday, in Prague's Peace Square. At the same time, they want to demonstrate for the release of imprisoned conscientious objectors. The demonstrators want to draw particular attention to the fate of conscientious objectors Jan Subrt (20) and Vladan Koci (25): They were sentenced to long prison terms. The CSSR Government has already threatened those taking part in the civil rights activities with severe punishment.

In Vienna a support rally will take place at the same time. At 1500 an exhortatory vigil will start at the corner of St Peter's Square and the Graben.

Government To Reduce Border Zone to 'Minimum'
LD3107163389 Prague CTK in English 1523 GMT 31 Jul 89

[Text] Prague July 31 (CTK)—In order to simplify the contacts of citizens with the state bodies, the Czechoslovak Ministry of the Interior has taken two kinds of measures: to reduce the frontier zone to the minimum extent necessary for reliable protection of the state border and also to simplify paperwork connected with applications and permits to enter the frontier zone, Major Jiri Belohlavek told CTK today.

The press spokesman for the Czechoslovak Interior Ministry spoke of changes in the zone along the Czechoslovak border with West Germany and Austria, which come into effect on August 1, 1989.

He said that as the frontier zone will be reduced, some 14,500 hectares of forests and farm land will be taken out from it as well as some tourist and recreation areas, quarries etc.

Disagreement Aired at Hungarian Dam Talks
AU3107133089

[Editorial Report] Prague RUDE PRAVO in Czech on 26 July on page 2 and on 28 July on page 4 publishes in two installments statements by Czechoslovak participants in the recent Czechoslovak-Hungarian expert negotiations in Budapest (held from 17 to 19 July), which examined the motives for the Hungarian decision to suspend the construction of the Hungarian section of the Gabcikovo-Nagymaros dam project on the Danube. On 26 July, under the headline "The Suspension of Construction Is Scientifically Unwarranted," RUDE PRAVO carries a 1,700-word statement by Academician Vlastimil Barus, director of the Institute of Systematic and Ecological Biology of the Czechoslovak Academy of Sciences (CSAV), who headed the Czechoslovak part of the working group for hydrology and ecology issues. On 28 July, under the headline "Unequivocal Findings," it carries a 600-word statement by Ludvik Waniek, corresponding member of the CSAV and researcher at the CSAV's Geophysical Institute, who headed the Czechoslovak part of the working group for seismology and geology, and a 900-word statement by Academician Juraj Hrasko, researcher at the Bratislava Research Center for Soil Fertility, who headed the Czechoslovak part of the working group for hydrogeology, pedology, and agriculture. In their undated statements, which were made "after the Czechoslovak scientists' return home," the three Czechoslovak experts assess the course and outcome of the Budapest talks.

Reporting on the discussion in his working group, which discussed hydrology and ecology issues, Academician Barus points out that the Czechoslovak side presented "factual material documenting the extraordinary attention we are devoting to protecting the valuable parts of nature in the construction area." It argued, he says, that, on the basis of results reached by Czechoslovak and Hungarian scientists so far, "it is possible to ensure conditions that will permit the preservation of the extraordinary wealth of the original fauna and flora and of the genetic diversity on this territory" and even to "increase the populations of endangered plant and animal species." On the issue of hydrology, the Czechoslovak side reportedly presented the results of scientific research demonstrating that "the quality of water on the Czechoslovak-Hungarian section of the Danube will not deteriorate" as a result of the construction of Gabcikovo-Nagymaros and that "existing supplies of underground water could even become more plentiful" after the completion of the project. In the opinion of the Czechoslovak side, "the problems of hydrology and water quality therefore cannot be a reason for not continuing the construction of the Nagymaros section according to the timetable approved by the governments of our two states."

Barus continues: "We recommended that the Hungarian scientists reconsider the conclusions which led to the decision to temporarily suspend work on the construction of the Nagymaros section in light of the course of the scientific discussion and ecological and hydrological problems. We drew attention to the fact that, from the very outset, the construction of the Gabcikovo-Nagymaros system of hydropower projects had been conceived as a single system and that many of the ecological problems being discussed have already been resolved or can be resolved, while adhering to the timetable for the construction of this hydropower system. Furthermore, scientific results we have reached thus far lead to the unambiguous conclusion that, even if the Nagymaros section is not built, it is impossible to restore the original state of the territory affected by its construction (as a matter of fact, even prior to the start of construction, the state of this territory did not permit comprehensive use of all the valuable parts of this landscape). Quite the contrary, a failure to complete the Nagymaros section could result in negative ecological influences."

In concluding, Barus says: "In the opinion of the Czechoslovak delegation, the suspension or delay of construction of the Nagymaros section is not only economically but, above all, ecologically unwarranted. The solution of problems is not furthered by one-sided generalizations about possible negative effects of the construction of the Gabcikovo-Nagymaros system of hydropower projects, as presented by the Hungarian side at the level of assumptions and hypotheses, but by a purposeful scientific solution of contradictions in a dialectical context, in a differentiated manner, according to positive and negative influences and in the specific conditions of the affected territory."

Speaking about the work of the section which dealt with seismological and geological aspects of the project, Ludvik Waniek says that, by means of "matter-of-fact arguments," the Czechoslovak side "managed to refute a large number of objections raised by Hungarian colleagues." A visit to the Nagymaros site confirmed, he says, that the geological survey of the construction area was "carried out responsibly and with high quality." Nonetheless, Waniek continues, "we did not arrive at a common view on this point. Our Hungarian partners insist on a comprehensive new examination of the entire seismic and geological situation at the Nagymaros section. This wish is incomprehensible to us. We believe that the actual reason for the suspension of construction does not lie on the level of scientific findings and their interpretation, but that it lies outside them."

In his statement, Waniek deplores the absence in the Hungarian delegation of the Hungarian designers of the Nagymaros dam, because this "made it impossible to objectively analyze and clarify" the technical solution of the project. He also expresses his "personal conviction" that "there exist no new facts that would contradict the original scientific expert appraisals" of the Danube dam project.

Juraj Hrasko's statement deals with the session of the third and last working group, which discussed the impact of the project on sources of drinking water and on agriculture. He points out that the Czechoslovak side stressed that the approved technical solution respects the demand that sources of drinking water be protected and that there be no deterioration in soil quality. In response to Hungarian objections about the "negative processes taking place in the soil" (such as drying out, growing salinity, and the pollution of underground water by farming), the Czechoslovak experts reportedly "presented a number of scientific studies, including studies by Hungarian authors, which demonstrate that these processes are taking place on the territory regardless of the construction of the hydroelectric power plants. We furnished evidence that, quite to the contrary, construction will reduce the intensity of a number of negative processes or will limit their scope. We argued that not only negative, but also positive processes will make themselves felt. After becoming acquainted with our materials and after receiving a detailed explanation, the Hungarian colleagues came up with a new argument. They argued that their territory has not been surveyed as thoroughly as our territory and that they will need 2 to 3 years for that, which will require a postponement of the start of construction until they avail themselves of background materials that are as detailed as ours." Hrasko calls it "interesting" that, although during the talks the two sides agreed on the need to expeditiously complete the network of monitoring stations to assess the impact of the project, "in the final written statement the Hungarian side continues to regard these issues as open and insufficiently solved."

Speaking about the problem of drinking water, Hrasko says that discussion of this issue was "negatively influenced" by a NEPSZABADSAG interview with Hungarian Academician Stefanovits, the head of the Hungarian side of Hrasko's working group, published on 15 July. "In this interview Academician Stefanovits informed the Hungarian public to the effect that, while for Hungary the threat to sources of drinking water concerns supplies for 3 million people, in the case of Czechoslovakia this threat concerns only 3,000 people (?!) because, supposedly, Czechoslovakia has abundant supplies of quality drinking water in the Carpathians. I do not know whether this was a case of ignorance or a deliberate piece of misinformation; the fact is that this information came as a great shock to the Hungarian public, resulting, naturally, in a loss of sympathy for the construction of the hydropower projects.

"Even now the Rye Island [area along the Danube in southern Slovakia] is our decisive source of drinking water in Czechoslovakia and, in the long term, it should serve as a source of drinking water for 5 million people, including southern Moravia. We argued that the system of hydropower projects provides for increased supplies of quality drinking water, and not for their depreciation. In defiance of this, the Hungarian colleagues demanded further research and a delay in the start of construction."

In concluding, Hrasko says: "Although our talks were businesslike and proper, I cannot get rid of the impression that the Hungarian side was and is concerned solely with delaying construction at any price and that, in pursuing this aim, it makes use in particular of the sensitive issue of protection of natural resources such as drinking water and soil. With the exception of one problem, in our group we did not have any disagreements about the assessment of scientific facts. We claim that we have amassed sufficient findings and that further research will not produce any new findings, but will possibly only deepen existing knowledge. The Hungarian colleagues agree with us, but they insist on further research and on delaying construction, arguing that it is always better to have greater certainty. Whereas while departing for the talks I was convinced that it was a question of a misunderstanding on the part of our Hungarian colleagues, I returned with the conviction that what is involved is design."

The statements by the three Czechoslovak experts are published in identical form by Bratislava PRAVDA in Slovak on 26 July on page 2 and on 28 July on page 3.

Daily Criticizes B-2, SDI Projects, Funding

AU3107151989 East Berlin NEUES DEUTSCHLAND in German 29-30 Jul 89 p 2

["ng" commentary: "Wrangling Over B-2 and SDI"]

[Text] For days, news agencies have constantly been reporting new voting results from both houses of Congress in Washington. The subject was the U.S. military budget, estimated at $305.5 billion for the budget year 1990, which starts on 1 October. The Senate and the House of Representatives vote on all important individual items. In this connection, priority was and continues to be given to two arms race projects, known under the abbreviations of B-2 and SDI.

The so-called B-2 Stealth bomber and the space weapons program, SDI, are the most expensive programs—at present and for many years to come. The sum for a single Stealth bomber, which is between $500 and 700 million, is higher than the amount that the largest capitalist state provides for social benefits for 3 million homeless. The Pentagon wants to acquire 132 units of this most expensive weapons system in history. As early as 1990, the first eight units will go into production. The government has called for another $4.9 billion for space weapons in the coming year, after SDI has already swallowed up dozens of millions of dollars.

The Bush administration has left no doubt that it accords primary importance to the systematic implementation of the two gigantic projects in the sphere of arms buildup, ignoring all the other problems. To receive the necessary support for the B-2 bomber and SDI, the president, the vice president, and the defense secretary personally went to the Capitol to win support for the projects. They wanted to convince Congress that the aircraft that consists only of wings, a space-based antiballistic system, and intercontinental missiles on railroad cars are necessary to achieve "maximum flexibility" in talks with the Soviet Union on the 50-percent reduction of strategic offensive weapons.

What they want is another round of arms buildup in order to be able to—possibly—take disarmament steps later on. This kind of argumentation did not remain unchallenged in Congress. Representative of both parties expressed objection. "What we need is arms control, and not this madness," one of the congressmen stated. This way of thinking was reflected in various voting results. The House of Representatives slashed the budget for SDI by $1.8 billion, and both chambers approved fewer bombers than demanded by the president. According to parliamentary rules in Washington, however, none of these votes is binding at the moment. The wrangling over the B-2 bomber and SDI will continue. In addition to that, all other large-scale weapons project will also be continued.

EC, Japan Oppose U.S. Stand on Cocom

LD3107130789 East Berlin Voice of GDR Domestic Service in German 1600 GMT 31 Jul 89

[Thomas Rautenberg commentary]

[Text] Its actual purpose was to work undercover—Cocom [East-West Trade Coordinating Committee] was supposed to be hidden away from public interest. Politicians and economists alike felt uncomfortable when mentioning its very name, for it is Cocom that keeps posing new obstacles to trading with socialist countries. The flow of goods, which would otherwise move freely between East and West, is made subject to most painstaking Cocom registration, control, and even occasional bans. The fact that there is more talk about Cocom activities now than in the past indicates rising controversies among its 16 member countries. Only recently, a Norwegian Foreign Ministry spokesman announced his country would be urging drastic cuts in the lists of items banned for trade with socialist countries.

Instead of comprehensive restrictions, current demands were for a mechanism of boosting rather than curbing East-West trade relations. That statement has Norway ranking with those governments which have long considered the discriminating Cocom rules outmoded. Early this year, Japan had already made it clear that Tokyo would resume control of the as yet Cocom-ruled Japanese foreign trade policy. As the year wore on, France and the FRG also voiced their misgivings. Italy finally joined the criticism and, last but not least, Great Britain declared British exporters would maintain their interests in East-West trade despite Cocom.

Only the U.S. position appears to have gone unchanged. In a first reaction following the Norwegian announcement, the State Department's commissioner for technology transfer and export controls said that for all overall improvements in East-West relations his government continues to consider export controls for strategically vital technologies and items inevitable. There is still a need to deny the Soviet Union any particular item or technology that might help boost its military strength.

Let alone the fact that with today's advanced level of technology a clear distinction between a system's purely civil or military potential turns out more and more difficult. Advocating future adherence to the bans obviously comes much easier to the U.S. Government than to the EC member countries. After all, the U.S. share in overall trade with socialist countries is as low as 3 percent, while its West European allies account for some 80 percent of all West-East exports. It is thus fair to assume that Washington wants to undermine the competitiveness of its European partners under the cloak of the need for military secrecy. The recent announcement of the Nowegian Foreign Ministry gives evidence, however, of the EC countries' and Japan's increasing willingness to speak their mind on the Cocom issue.

Krenz Receives Yemen Socialist Party Member

LD3107173889 East Berlin ADN International Service in German 1313 GMT 31 Jul 89

[Text] Berlin (ADN)—The identity of views on the safeguarding of peace and disarmament was underlined during a conversation in Berlin on Monday by Egon Krenz, member of the Politburo and secretary of the Socialist Unity Party of Germany [SED] Central Committee, and Brigadier Salih Munassar al-Siyayli, member of the Yemen Socialist Party [YSP] Central Committee Politburo, deputy prime minister, and interior minister of the People's Democratic Republic of Yemen. Al-Siyayli is in the GDR at the invitation of the Interior Ministry.

The two officials praised the close friendly relations between the SED and the YSP, and emphasized the mutual benefit of trustful cooperation between the two states.

Krenz spoke about the results of the Warsaw Pact states' Political Consultative Committee meeting in Bucharest, which the GDR considers a comprehensive program in the struggle to preserve peace. He said that the people could always trust in the GDR's anti-imperialist solidarity.

Al-Siyayli spoke about the current stage of the national democratic revolution in his country. It is characterized by society's efforts—society under the YSP's leadership—to increase the effectiveness of the state leadership, to improve the quantitative and qualitative results of production, and to perfect democracy.

Lothar Kolditz Receives Vietnamese Politician

AU3107134789 East Berlin NEUES DEUTSCHLAND in German 29-30 Jul 89 p 2

[ADN report: "Guest from Vietnam Visits National Council Chairman"]

[Text] East Berlin (ADN)—On Friday [28 July] Lothar Kolditz, president of the National Council of the GDR National Front, had a friendly meeting in Berlin with Ho Anh Dung, deputy general secretary of the Central Committee of the Vietnam Fatherland Front. Lothar Kolditz reported on how all forces united in the National Front are preparing, within the tested alliance, the 40th anniversary of the GDR and the 12th Congress of the Socialist Unity Party with dedication and energy. It is necessary to create an economically strong and attractive socialism, as well as to continue the process of detente by means of a flexible and constructive peace policy. With great sympathetic feelings and attention the GDR people are observing the efforts of the Vietnamese Government and people, together with the State of Cambodia and the Lao People's Democratic Republic, to establish a zone of peace, stability, and cooperation in southeast Asia. This policy is being actively supported by the GDR. Ho Anh Dung expressed thanks for the cordial welcome given to the delegation in Berlin and in the bezirks of Frankfurt (Oder) and Karl-Marx-Stadt. He stressed that the GDR citizens' fraternal solidarity with the Vietnamese people could be felt everywhere.

European Catholics' Representative Received

AU3107134389 East Berlin NEUES DEUTSCHLAND in German 29-30 Jul 89 p 2

[ADN report: "Talk With Representative of European Catholics"]

[Text] East Berlin (ADN)—On Friday [28 July] Werner Kirchhoff, first vice president of the National Council of the GDR National Front, met for a friendly talk in Berlin with Franco Leonori, chairman of the Presidium of the Berlin Conference of European Catholics. During the meeting Werner Kirchhoff noted that, in preparation for the 40th anniversary of the GDR, all strata of the population, including the citizens with religious affiliations, see their common responsibility in the further strengthening of socialism and the preservation of peace. The Berlin Conference of European Catholics, a respected peace forum, receives the full support of the GDR National Front.

Franco Leonori explained that during the quarter century of its existence, the Berlin Conference has always dedicated itself to preserving peace, to security on the European continent, to justice, and to peaceful cooperation. The dialogue forum of European Catholics, which will take place in Frankfurt (Oder) this October under the motto "Keep Peace Among Yourselves," will again affirm the goals of the Berlin Conference which serve humanism, Franco Leonori stressed.

Foreign Ministry Official Views Neutrality

LD3107221889 Budapest Domestic Service in Hungarian 1630 GMT 31 Jul 89

[Text] Last week eyebrows were raised in Hungary by the statement in Washington made by Gorbachev's military adviser, according to which Hungary could become a neutral state. Our correspondent, Ferenc Kisinyak, has sought the official Hungarian stand on this from Dr Ferenc Somogyi, state secretary at the Ministry of Foreign Affairs:

[Begin recording] [Kisinyak] Has the Hungarian Foreign Ministry learned from Soviet sources whether Marshal Akhromeyev's statement in Washington on Friday, in which he said that Hungary could become a neutral state, is official policy?

[Somogyi] Upon hearing the news we immediately made inquiries at our embassy in Moscow, and also through the Soviet Embassy in Budapest, about the Soviet policy in this respect. Later we also inquired from Marshal Akhromeyev himself about the circumstances and details of the statement. According to the information thus obtained, the statement in Washington does not contain any new element and therefore it does not represent a change of substance in the relevant Soviet policy either. This also becomes clear from the reports by news agency correspondents filed after the lunch at the Washington Press Club and the conversation with journalists there. Thus it becomes unambiguously clear that the marshal only expounded, in essence, a stance which has been made several times in the past and which was officially and unambiguously confirmed at the recent Warsaw Pact summit in Bucharest.

[Kisinyak] In other words, what we are talking about is that Marshal Akhromeyev simply confirmed, from a military policy point of view, the statement made earlier by Academician Bogomolov.

[Somogyi] Yes, it was in response to questions about the Brezhnev doctrine that the marshal announced that every country and people can decide freely which social system it wants to live in; and in reply to further questioning regarding the Soviet reaction to the potential transformation into a neutral state by Poland and Hungary he only repeated that these countries could also choose how they want to be. In this sense I think that the question posed at the beginning of this discussion as to whether the statement represented really a remark made by Akhromeyev as a private person or whether it was the Soviet official policy is not really appropriate.

[Kisinyak] Could this statement by Akhromeyev in Washington play a kind of role in the talks between the Hungarian Foreign Ministry and the opposition; that is, is it possible in your view to create a consensus between the ministry and opposition representatives in respect to the issue of neutrality?

[Somogyi] I would like to say first of all that, despite the fact that his statement was a repetition, I attribute significance to the fact that after other similar expressions now a prestigious military politician of the Soviet Union has also confirmed this stance about the annulment of the Brezhnev doctrine, the impermissibility of interference, and the right of independent development of the socialist countries. Therefore, in this sense, it has significance, and I think that it is this manner of approach which is the correct one when we deal with this issue or with the Soviet stand in this respect whether in terms of international relations or in our dialogue with the opposition.

It is my conviction that in the future, too, we shall have to handle this question on the basis of our stand expounded earlier, while naturally endeavoring to make our international sovereignty prevail in practice as well. I think that our membership in the Warsaw Pact is part of the system of relations now evolved in Europe, and the balance of power serving as a base of the security of the continent and—I think this is very important—as yet not a single country has an interest in changing this under the given conditions.

At the same time we must also be aware of the fact that the neutrality of the country is a limitation on its international sovereignty, even if this limitation is voluntarily undertaken. Therefore, I think that we must come to an agreement, between the government and the opposition, in which we must carefully analyze the conditions under which neutral status would best serve the interests of the nation. In this respect I believe we should unconditionally avoid any foolish, hasty, or one-sided step that would endanger the wide-ranging international support which is indispensible for the implementation of the reform process in Hungary and for the renewal of our homeland.

I think it is at this point that it is unconditionally necessary for all political forces in Hungary to come to an agreement sooner or later. [end recording]

Zala County Conference Adopts Reform Structure

LD3007144189 Budapest Domestic Service in Hungarian 1000 GMT 30 Jul 89

[Report by Gabor Halasi on the Zala County Hungarian Socialist Workers Party Conference held on 29 July—recorded]

[Text] After a lukewarm start, lengthy debates, and confusing contributions, nobody expected a political bomb to explode at the Zala County party conference which went on until dawn this morning. Yet this is what happened. By midnight, in practice, the whole of the county party leadership had fallen, and during the course of a few hours, the whole apparatus spectacularly collapsed.

What happened was that after the debate of the most important agenda point, over the question of what kind of party do we want, the meeting unexpectedly accepted the separate platform of the county reform circles as the structure model to be followed, with a 55 percent majority. According to this, the highest political forum between two congresses—that is, party conferences—is the steering committee [valasztmany]. The social chairman of this is the number one leader of the party in the region. The activity of the steering committee and the various kinds of work committees is aided by a coordination office. The steering committee stances, formulated from the synthesis of opinions, are not obligatory; the individual regional party organizations can voluntarily express support for these.

In this structure, Ferenc Karvalics, county first secretary; Gyula Vass, county secretary; and Miklos Lendvay, first secretary in Zalaegerszeg; were not prepared to accept functions as a social commission, and the other official candidates also in turn withdrew.

After the voting, which lasted until 0430 in the morning, Dr Laszlo Vari, a 42-year-old lawyer from Nagykanizsa, became the chairman of the Steering Committee, and Dr Miklos Balogh, from the county party committee, became the first secretary of the Coordinating Committee.

The new Zala party apparatus, instead of the present 40-50 members, will consist of a total of 5 people.

Fejti Comments on Zala Changes

LD0108040989 Budapest Domestic Service in Hungarian 2000 GMT 31 Jul 89

[Text] In the view of one of the secretaries of the Hungarian Socialist Workers Party [MSZMP] Central Committee there is nothing extraordinary in the fact that at the Zala County party conference, under pressure from the reform Communists, the local party leadership was replaced and a steering committee was put in the place of the county MSZMP committee. Gyorgy Fejti, in a statement to MTI, said that the former Zala party leadership was essentially faithful to the reforms and change. True, it made a mistake when it only belatedly convened the party conference in the interest of renewal. The Central Committee secretary believes that there were also victims of the events in Zala; they are those who were not placing obstacles in the way of progress but who were simply swept away by the debates. By the way, Gyorgy Fejti does not consider necessary the replacement of the entire party apparatus in Zala County although he nevertheless added that it is the task of the new leadership to decide the fate of the former officers.

Border Official on GDR Refugees, Iron Curtain

AU2907164989 Vienna DIE PRESSE in German 29-30 Jul 89 p 2

["kom" report: "Hungary Admits Shooting"]

[Text] Koszeg—Hungary has now admitted that border soldiers used their weapons when GDR citizens tried to flee to Austria. On Friday [28 July] at a news conference for national and foreign journalists in Koszeg, Colonel Balazs Novaky, deputy commander of the border guards, justified the shots by saying that the refugees did not heed the call to stop. Their nationality was not known. Novaky insisted that not a single shot had been fired directly at the people.

According to Colonel Karoly Nagy, head of the Hungarian office for alien control, an increasing number of GDR citizens have entered Hungary over the past years; during the last half year the number rose by 15 percent compared with the first half of 1988. "Only some are tourists," Novaky said. About 550 people have tried—often in an "aggressive way"—to illegally cross the border to Austria. Criminal proceedings have been started against 450 of them in line with the agreement with Bucharest [as published] on the abolition of visas. Their travel documents have been stamped with a note—in line with Hungary's alien law—that requests them to leave the country and prohibits them from reentering the country for 1 year.

Novaky announced the abolition of the Hungarian restricted areas at the border as of 1 August. Currently it is possible to stay there only with a special permit. He said that 117 of 260 km of the Iron Curtain have already been dismantled.

Concerning the fences that were recently put up at the Romanian-Hungarian border, Novaky said that these fences were not charged electrically and were, therefore, easy to climb; in the meantime they have been torn down again.

'Attackers' Blow Up Empty Embassy Car in Iraq

LD2907182189 Budapest Television Service in Hungarian 1730 GMT 29 Jul 89

[Text] It was learned over the weekend that unknown attackers blew up the car of the deputy commercial counselor of the Hungarian Embassy on Thursday in Baghdad. No one was injured because the car was empty, but it is apparent that it was intentional. The police are investigating along several lines, but as the embassy's charge d'affaire ad interim said, they have not even received one copy of the innumerable on-the-spot reports. He also said that the Hungarians staying in Baghdad have been warned: They should not leave their cars unguarded in public areas.

Rakowski Recommends Kiszczak as Premier

LD3107114589 Warsaw PAP in English
1115 GMT 31 Jul 89

[Text] Warsaw, July 31—Newly elected PUWP [Polish United Workers Party] CC [Central Committee] First Secretary Mieczyslaw Rakowski came to today's debate of PUWP parliamentary floor group to recommend Czeslaw Kiszczak as candidate for premier, in tune with a CC resolution.

Rakowski briefed the deputies on political reasons that prompted the CC to propose Kiszczak as premier. He also spoke on future relations between the floor group and the PUWP leadership.

Deputies Support Nomination

LD3107173689 Warsaw PAP in English
1633 GMT 31 Jul 89

[Text] Warsaw, July 31—Mieczyslaw F. Rakowski, who met with the PUWP [Polish United Workers Party] parliamentary club as the newly-elected PUWP leader today, recommended Political Bureau member and Internal Minister Czeslaw Kiszczak as candidate for Polish prime minister and he explained the political reasons which motivated the Central Committee and Political Bureau for this choice.

The deputies asked Kiszczak a number of questions concerning many economic, social, and political issues. After a vigorous discussion, the club gave their recommendation to Czeslaw Kiszczak.

Leader of the club Marian Orzechowski said that the club would support the party leadership elected at the latest plenary meeting, in their activities aimed to extricate this country out of the crisis and to recover the party. Orzechowski also welcomed Czeslaw Kiszczak who attended the meeting.

Referring to the election of new CC [Central Committee] secretaries Orzechowski said it was no coincidence that the youngest group of the CC secretariat originates from party deputies. This is politically eloquent, Orzechowski stressed.

One of the topics Rakowski referred to when speaking to the club members were the future relations between the PUWP parliamentary club and PUWP leadership. Referring to the speeches of deputies made at the CC plenum last weekend, Rakowski said they prove that the party had been replenished with a sizable group of new, interesting activists. He voiced the hope that these attitudes of the deputies would be permanent, innovatory, and ideologically interesting.

Any party has only one leadership, Rakowski stressed. Speaking of the causes of breaking the party discipline, the PUWP CC 1st secretary stressed the need to counter this phenomenon. Otherwise we shall achieve nothing, he warned.

Further three deputies joined the party leadership. They will, Rakowski said, project your assessments, opinions, on many problems which are within the reach of the party leadership. It is necessary to take care in practice, that the club has a say when decisions are made by the leading bodies in the PUWP.

We are starting the stage of transforming the party. The role of the PUWP parliamentary club will be important in this. We have to look for solutions that would not cause unnecessary antagonisms.

Mieczyslaw F. Rakowski assured those gathered that he would carefully listen to every critical voice from the club and every proposal by PUWP deputies.

Democratic Party Support

LD3107212989 Warsaw PAP in English
1959 GMT 31 Jul 89

[Text] Warsaw, July 31—The Presidium of the Democratic Party [DP] CC [Central Committee] discussed, among other things, issues connected with the formation of Poland's Government at its meeting here today.

The presidium appealed to the Democratic Party parliamentary floor group to support the candidature of Czeslaw Kiszczak to the post of prime minister as co-author of the round table settlements, that is a man personally responsible for realization of the process of reforms adopted there.

The DP CC was briefed on the DP international contacts with the Liberal Democratic Party of Germany and with the Hungarian Democratic Forum. It recommended further expansion of the hitherto forms of cooperation. Broader cooperation with "Centrosoyuz" as well as starting direct contacts with the Communist Party of the Soviet Union at the central and republican levels were considered as issues of particular importance.

Walesa Urges Opposing Vote

AU0108104289 Paris AFP in English
0958 GMT 1 Aug 89

[Excerpt] Warsaw, Aug 1 (AFP)—Solidarity leader Lech Walesa appealed Tuesday for members of parliament to vote against the government's candidate for the premiership, Interior Minister General Czeslaw Kiszczak.

Mr. Walesa said he had told Bronislaw Geremek, president of the opposition parliamentarians' club, to urge opposition members to turn down General Kiszczak in the vote expected later Tuesday.

"I was for President Kiszczak, I am against Prime Minister Kiszczak," Mr. Walesa told AGENCE FRANCE-PRESSE by telephone from the northern port of Gdansk. But he failed to explain the switch.

Gen. Kiszczak had first been asked by Polish leader Wojciech Jaruzelski to run for president, but Gen. Jaruzelski finally yielded to Communist Party pressure and narrowly won the presidential election himself in parliament on July 19. However, if Gen. Jaruzelski decides to back the nomination of his interior minister, Mr. Walesa's stance will have little chance of success. The opposition holds only 35 per cent of the seats in the Diet, or lower house. [passage omitted]

Rakowski Grants First Interview as Party Head
LD3107171689 Warsaw Television Service in Polish 1730 GMT 29 Jul 89

[Text] [Correspondent] Ladies and gentleman, here is the new first secretary of the Polish United Workers Party Central Committee, Mieczyslaw Rakowski. I would like to ask two questions, if I may?

[Rakowski] Please.

[Correspondent] The government that you led for barely 9 months is being attacked from all sides, criticized, as if it had held power for 10 years or so at least. The party lost the elections and is also accused, of responsibility for the 40-year period. How will you cope with all of that?

[Rakowski] Firstly, I don't think that the government is being attacked from all sides, so coping with this situation will surely be difficult, but not hopeless. As for the party, which finds itself in a difficult situation—I believe that I will have support among many, many hundreds of thousands of party members who draw conclusions from this defeat, or who wish together with the party leadership to change this disadvantageous situation for themselves to an advantageous one. Apart from that they are very well aware of what obligations have been set me by the Central Committee. I believe that we can come out of this difficult situation.

[Correspondent] Thank you, we wish you well.

[Rakowski] Thank you, and I would just like to explain that I do not have a prepared speech and I did not prepare myself for such an interview.

'Excerpts' of Rakowski Plenum Address
LD3107115489 Warsaw PAP in English 1106 GMT 30 Jul 89

[Text] Warsaw, July 30—Mieczyslaw F. Rakowski delivered an address at the 13th plenary session of the PUWP CC [Polish United Workers Party Central Committee] on Saturday [29 July]. Excerpts:

Perceiving and deeply analysing causes of our weaknesses, errors and setbacks, we do not have to fall on our knees before a political enemy on any occasion. There are two million of us. This is a big Army that contains great power. Today it is immobilized to a serious extent, but things do not have to be like this. Things cannot be like this. Let us not be roared down with demagogic shouts or total negation of historic accomplishments of past decades during which revolutionary transformations took place which were advantageous for the nation from which we have originated and with which we are tied forever.

We live in a period in which it is often difficult to specify borders between what is innovatory, needed and indispensable in socialism and what is an oportunistic concession leading to washing away principles basing on which our movement has developed and people's Poland was born.

How to get out of this? Only through collective wisdom, through readiness to accept an obvious but not easy to realize principle that nobody has the monopoly for truth. However, I must recall that alien to me are all concepts oriented towards liquidation of ideological sources of our movement. I reject nonsense talk about marxism being played out, about the need to replace it with another source of ideological inspiration. What source could it be? Today there is no wise man among us or in the changing socialist formation who would be able to unequivocally answer questions that torment and worry us.

As the first secretary of our party, I do not intend to take part in fruitless polemics. I only want to say that we do not look for quarrel with the opposition. We will always start fight when we are provoked. We are interested in concrete, really constructive cooperation not for comfort but for the good of the country. If such constructive cooperation does not take place, the nation will quickly learn who is really worth trusting.

Still, already today many people can see the opposition in a different light than several weeks ago. The wheel of history in our country turns round very quickly. Sympathies very easily change in to antipathies...I share the view that it is not ruled out that the opposition suffering from the lack of economic program wants to replace this shortcoming with an attack on the government...

Among many great tasks we face as the party I attach a particular importance to what is going on in grassroots party organizations. Their assessment, especially in recent times, does not make one satisfied in any case. Many party cells recorded or record a decline of activeness. Who should be taken into account for such a state of affairs? First of all, the general state of the spirit of the party after the failure in the elections as well as many other causes about which we will not speak today.

One thing is certain. When we discuss the activeness of the party, animation of party life, all this, in fact, resolves itself into a party grassroots organization, that is a basic party cell. Entangled in great debates, we do not always pay attention to just basic cells which have always been the foundations of the strength of the Socialist and Communist movement. We must particularly focus our attention on them.

We often speak about the significance of the moment at which we happen to be. This is unquestionable truth. And not only because of the election failure, the current moral and political condition of the party, the necessity to revalue our many views and the like. The significance of the moment also ensues from the fact that the whole community of the socialist countries, whole Europe and whole world look today at Poland, at our party, at what we say today and what we will say tomorrow, what we do today, what we will do tomorrow.

Also, it is no exaggeration to say that the fate of socialism on the world scale hangs in the balance in Poland. I do not exaggerate. Things are really like this. The world left is interested, above all, in our ability to build socialism breathing the air of our era, meeting its needs. All Polish developments make an influence on the remaining socialist countries as well. Both in the positive and negative sense.

It is understandable that main centres of the capitalist world, while giving support to the opposition, bear in mind different aims with regard to Polish developments. It is understandable. One needs not close one's eyes to the fact that, apart from healing reformatory breeze, at the same time we deal with struggle of class character. The offensive of anti-Communist forces is also a fact that must not be underestimated...

I also feel a need to address our president, many years' first secretary, Wojciech Jaruzelski.

We must be glad with the fact that this is the first party's first secretary who leaves with his head raised high, leaves to hold the most honourable office in our country. After all, this is a reason for pride. He leaves, not baited, not at the bar of public opinion as it happened with his predecessors. In my opinion, he owes this to, first of all, the policy he pursued with great consistence, the policy being in tune with the interests of the nation, as well as to personal virtues.

Agreement and fight is the main message we should take from Wojciech Jaruzelski owing to whom we have entered a wide road of real democratization of political, social and economic relations.

Orzechowski Party Plenum Address Published

AU3107152589 Warsaw RZECZPOSPOLITA in Polish 29-30 Jul 89 p 4

[Speech by PZPR Politburo member Marian Orzechowski at the 13th PZPR Central Committee Plenum in Warsaw on 28 July]

[Text] Comrades! The time has come to make a post-election assessment. We have lost many of our positions lately. We surrendered some of them willingly as a result of the logic of social development and as a result of the necessary changes to socialism. However, we lost others because of mistakes and weaknesses not so much in our strategy as in our practical activity.

Let us consider how to regain what we should regain, how to plan the achievement of what we want to achieve. That is the purpose of the 13th plenum. Our assessments and admissions should above all be truthful, and therefore in line with society's experience and reality. If something is bad, then it is bad. That must neither be denied nor ignored.

Words and declarations are not the point, anyway. The point is a new content of the strategy of accord and struggle. To be specific, a struggle with whom and against what, and over what? Where and by what methods?

The draft resolution contains the outlines of such a program. That is the result of talks by the Politburo. That is a certain denominator, albeit a minimal one, that is common to people's thoughts about the party's present and future and about its path leading to the 11th Congress. That is why my speech, in which I discuss the more important points of the draft resolution, cannot be considered an exhaustive presentation of the Politburo stance. It is a presentation of my own thoughts, views, and proposals.

Comrades! Two million party members and the great mass of our friends and sympathizers are watching those assembled in this hall today with hope, but also with trepidation. They are troubled by the following fundamental questions: What will we decide? Will we be able to look the truth squarely in the face, however painful it is? Will we draw the right conclusions? Will we agree on an unequivocal, militant trend of all-party action?

That, comrades, is the measure of our joint responsibility.

In order to fulfill it, we have to manfully admit at least two bitter truths: First, society has had enough of the party the way it has been until now and of the present way of exercizing power. No juggling of facts and figures will alter that opinion if we ourselves do not change quickly and thoroughly. Second, a considerable proportion of the party base has had enough of the present party leadership's work style and results; of the way decisions are taken; of the way of communicating with party members, primary party organizations, and party aktivs.

It is this dissatisfaction that has given birth to the view that the 13th plenum is the party's last chance.

The elections to the Sejm and Senate were like a thermometer; they showed the high temperature of the entire sociopolitical system. They were neither the source nor the cause of the processes that have been taking place for a long time; they were merely the culmination thereof. The effects of these processes would not have been as

obvious and harmful if we had not committed errors and had not been incompetent. However, not even the greatest perfection would have altered the crux of the matter.

The elections confirmed the aspirations of the majority of society for genuine and profound transformations. That is a great political and social asset that must not be wasted.

Comrades! What is that disturbs us the most? What is it the greatest cause of the low confidence in the party? What is it that is dragging the party backwards? Let us admit it, it is the economic situation. It is worse than our wildest dreams.

The economy has been brought to such a drastic situation that there is no way out of it without real sacrifices by society. Before things can get better, they may get worse. There has never been enough courage to say this openly before, and politics cannot consist of a permanent deception of society. Therefore the inevitable results of the market-orientation of agriculture, the restructuring of industry, and implementation of the entire program of adjustment must be clearly stated. It must also be said when we will benefit from all this, and what the benefit will be.

Are we in danger of the kind of economic development that will undermine the very roots of state existence? What should we do to prevent that? We should pay close attention not only to advisers, but also to trade union representatives of workers and farmers, and to what the party says. The development of events in the past few months shows that it was a mistake to ignore views formulated among our own ranks. Heeding them might have prevented a heightening of the tensions in the market and supply situation, without having to deviate from the fundamental path of economic reforms.

Today, economic issues are of crucial significance for millions of Poles. They determine the quality of daily life. Governments come and go, but their results remain visible to the naked eye. Results determine everything. That is why society expects from the new government immediate decisions and firm but effective actions.

We should harbor no illusions; the path of reviving the party's reputation leads first and foremost via a revival of the Polish economy, heaving it out of the crisis, nursing it back to normality, and liberating Polish families from everyday torment.

However, while dispelling these illusions, we must do one and the other. We must heave Poland out of the economic crisis and transform the party. These are two concurrent and interdependent streams. There is no other choice. A party that is transforming itself will be better able to solve present and future economic problems.

Comrades! The elections have brought no solution to any socioeconomic and political problem, but there is one thing they have achieved. It is no longer possible to do anything creative in Poland by oneself; that is to say the party and coalition can no longer act against the opposition; or the other way round, the opposition cannot act against the party and coalition.

This dictates the need to preserve the emergent cooperation among the three parties and three Catholic associations. Only together do we stand a chance of achieving what each of us is aiming for individually.

We are well aware that after the recent elections, and especially after the presidential election, much resentment and many grievances against our allies in the United Peasant Party and Democratic Party have arisen. This is dictated by emotions. These emotions must be rejected, and we must place ourselves above them. At a time when Poland's future and its path of development are being determined, there is no room for resentment in politics. One must understand that the attitudes of some of our allies in the coalition are a reaction to the years and decades during which we viewed them with a feeling of superiority and treated them often with arrogance and contempt.

The future and character of the coalition at a time when we occupy only 38 percent of the Sejm is the be all and end all of state stability, and a condition for the state's ability to function. One must draw conclusions from this. One must think about the future, about a new shape of a coalition based on real equality and partnership, on a real communion of basic interests and aims. Only then can one be certain that the coalition will withstand its greatest trials and that it will be loyal and committed in the implementation of decisions, and will perform its duties at every level of allied joint action.

We are monitoring the processes that are occurring in the United Peasant Party and Democratic Party with the closest possible attention. We welcome their efforts to find a place in the new political situation, their attempts to clearly define their ideological and political identity. It lies in the interests of the Polish United Workers Party [PZPR] that all its allies be strong and genuine, and speak out with their own voices.

Comrades! Everyone is tired in today's Poland. Everyone wants changes for the better, but everyone has different views on how to achieve them. Sometimes these views are contradictory.

The Polish dilemma is not whether or not to continue the reforms, but what kind of reforms they should be, how fast and how far they should be implemented, and whether or not they will proceed smoothly.

The changes are profound and possess a political nature, but they do not liberate processes of a counterrevolutionary nature. Tendencies to achieve a historic volte-face enjoy no major social support. Movements openly opposed to the system occupy only the fringe of our lives.

Let us place a dot over the "i": Dismantling an inefficient and bureaucratic system of power has nothing to do with dismantling socialism. On the contrary, it signifies an aim toward socialism, to a reality that conforms to the very ideals of socialism. After all, socialism is nothing but an increasingly better satisfaction of working people's needs under conditions of liberty, equality, and dignity for man.

We will not build socialism on our own. We need the help of our allies and partners.

That is why we also need a new approach toward "Solidarity." This approach consists of many streams. We will support that stream that stems from society's objections to bureaucracy and interpersonal arrangements. We may and should cooperate with that stream that aims to defend workers rights. However, we will fight those who represent political and programmatic interests that conflict with our own. At the same time, we must do everything to create the right conditions for the establishment of new political parties and for their effective action, based on support for Polish society and Polish money.

Remember, comrades. The political stream of "Solidarity" is a real opposition, in other words a counterauthority. If it refuses to participate in a government grand coalition, then let us seek ways of achieving a parliamentary grand coalition. That could take the form of an accord on the subject of the calendar of reformist work by the present Sejm in the sphere of economics, politics, and social life. Provisional accords must be reached as quickly as possible. A final accord should be reached after the 11th PZPR Congress and "Solidarity" congress.

The basic question for us is: Will we be limited to a struggle for command over a ship sailing stormy waters, or will we, together with all the passengers, attempt to sail the ship into calmer seas?

The most recent weeks show that this process will not be easy. The party as a whole and its leadership must come to terms with the new situation. So far this has been a game of checkers. Let us hope it does not turn into a game of roulette.

Comrades! The party today is full of fear and unease about the future of the state and society, about the future of socialism, and about its own future as a social force.

At the 10th plenum the party initiated profound transformations, in fact a peaceful internal revolution. But it has still not carried out an external revolution. Instead, it has been caught short by the effects of the processes which it started itself.

The reform to the PZPR should establish a working people's party which is socialist and democratic, and which serves the nation; a party of pragmatic social progress which recognizes the Polish state and the interests, aspirations, and needs of its citizens as a fundamental value in politics; a party that functions efficiently and effectively in the system of parliamentary democracy; a party that is attractive to young and modern-thinking people.

A strategic conclusion stems from past experience: A political struggle against everything that is against honest working people's interests must become our party's mission. And that involves a struggle everywhere and against everything, from bureaucracy and arrogance in the work of our party and government and in the work of the people's state, right up to a struggle against those who advocate a restoration of the wild laws of capitalism. Today and in the future we should be guided by the following slogan: We will defend the rights and interests of working people as the most priceless values.

The socioprofessional movement consisting of the National Trade Union Confederation [OPZZ] and National Union of Farmers and Agricultural Circles and Cooperatives is and will remain our closest mass social ally. We are and will continue to be joined to them by a common system of values, ideals, and aims for the future. The party feels permanently bound to the OPZZ for better or for worse.

It is high time to dispense with distorted views whereby socialism consists of the party and state melting into one single centralized and bureaucratic organ. Such a view has turned out to be the source of systemic inefficiency and social crises in socialism, eating it away from the inside.

At last the party has a chance to become an ideological and political force, a genuine social movement. Henceforth, the state will be separate and the party separate, and the government, even the one recommended by the party, will act within the framework defined by the parliament. In the new situation, traditional full political support from the party for all government activity would be downright harmful, otherwise every cabinet crisis would place the party's entire prestige and authority in the government's defense, which could necessitate an open conflict with the forces of the opposition and could cause a state crisis.

For people ideologically involved with the party and who perceive an ideological and political communion with it, the party also possesses a value in itself. The party is not and cannot be a tool for achieving goals other than those that stem from the system of values and ideals of socialism. However, it may be, and sometimes is, used as a way of achieving a high position in the hierarchy of authority. Let us guard against this. It is a great danger for the party.

Comrades! The need to commence direct preparations for the 11th congress has arisen. That is the Politburo's stance. Let us reflect it in our resolution.

The congress by itself is not and cannot be a wonderful panacea for all the ills that beset the party and its members. What we achieve prior to the congress will be very important.

That is why the following formula seems very appropriate: "The 11th congress, as quickly as possible." That means that the congress will be brought forward in time; that the party's identity, program, and statute will be discussed separately before the congress; that congress delegates will be chosen who reflect the real state of the party, its hopes, and its aims; and that the entire party will come to the congress properly prepared, not just its delegates. The date of the congress will be determined by the development of events in the forthcoming months.

Comrades! The era of the PZPR as a governing, ruling, and leadership party ended forever on 18 June. One can interpret that in various ways, but one cannot argue with the underlying meaning.

However, the party still holds the necessary trump cards to take the strategic initiative, unite the forces of the left wing and social progress, act efficiently and effectively, and regain society's trust.

The basic condition is to preserve the party's unity, whereby unity is taken to mean a communion of people, ideals, and organizations, but most of all a unity of action for the sake of definite goals and aspirations, especially a unity in the political struggle for Poland's future, a struggle which is already taking place and which will become more fierce.

Thank you for your attention.

PAP Reports Sejm Debate on Wage Indexation

LD0108015289 Warsaw PAP in English 2349 GMT 31 Jul 89

[Text] Warsaw, July 31—Poland's Sejm met here today.

The deputies commemorated in silence heroic participants in the Warsaw uprising on its 45th anniversary.

Next debate began on indexation, on its character and methods.

First let us report on a curious event. Saying, among other things, that "the day of repayment for violation of economic laws comes, workers and farmers will have to pay for it", Deputy Bogdan Lukasiewicz stated that he took floor on the part of the United Peasants Party parliamentary floor group. But the group's chairman Aleksander Bentkowski stated from the rostrum that Deputy Lukasiewicz's address had expressed his own opinions and not the group's views.

The battle for indexation started from the special committees report. Its chairman deputy Marcin Swiecicki stated that the method of indexation is the key issue. Two variants were submitted to the Sejm. Expectations of working crews speak for the first variant, that is for general indexation in tune with the round table settlements. Considerable wages rises in the second quarter of this year and the present market situation indicate rejection of the option. Hence, the second variant was worked out which guarantees wages growth connected with price hikes to all workers who had not received such rises earlier.

Following are some points made in the discussion.

Pointing out that the planned law on indexation is very controversial, Deputy Wieslawa Ziolkowska said that it can aggravate the existing phenomenon of a considerable stratification of incomes in various sectors of economy.

Deputy Jerzy Slezak demanded that barriers should be lifted that block efficient functioning of free market and of the entire national economy.

Deputy Jerzy Osiatynski came out in favour of the first variant of indexation which assumes 100 percent compensation for higher food prices and 80 percent compensation for price hikes of other goods.

"Solidarity" never wanted to buy social peace, stated Deputy Mieczyslaw Gil recalling that the decisions on indexation were made at the round table. We do not want to shun responsibility, he said adding that they will take resposibility for implemetation of that already crippled indexation.

If the Sejm adopts the law, and it should do so, at the same time it will take up challenges which will force us to counteract inflation and its sources, stated Deputy Jan Kuligowski.

At the end of the debate representatives of the government took the floor.

If we stop the introduction of market mechanisms into food economy, what will we have next? We must state it explicitly, there will be hunger, stated among other things, Vice-Premier Kazimierz Olesiak. I warn, he added, that it is the deadline to introduce market-oriented food economy.

Next numerous deputies took the floor retorting to the vice premier's address.

One of them Jacek Kuron stated that the process of restoration of the country, of the ruined economy cannot be started from hindering the decision on indexation. Radical system reforms, genuine entering the market are needed. But first of all, we must keep our word, and in April we said indexation, the deputy recalled, adding that money promised to people cannot be taken away from them.

The Sejm voted for the variant of general indexation and next adopted the law on indexation with 335 votes for, 29 against, and 49 absentions.

Next, on prolonged discussion on a draft resolution accompanying the law on indexation worked out by the Sejm special committee, the Sejm passed the resolution in the version proposed by the committee with 247 votes for, 81 against and 54 abstentions.

Following the voting the Sejm debated on the structure of Sejm committees and constituted 21 permanent committees.

Sejm Resolution on Income

LD0108015789 Warsaw PAP in English
2352 GMT 31 Jul 89

["Sejm Resolution on Population's Currect Income Situation (Abridged)"—PAP headline]

[Text] Warsaw, July 31—The Sejm of the Polish People's Republic states with deepest concern that the economic situation is dramatic, this chiefly resulting from the ineffective economic policy and forcing a cohesionless program of systemic changes as well as supporting pathological forms of ownership transformations by government links.

The consequence of the again deepening crisis of Polish economy is the hard-to-bear situation of many groups of Polish society.

The Sejm expects the government to immediately implement decisions on increasing the ceiling of remuneration free from the income tax and start activities which, not violating the principles of enterprises self-financing, will make wage indexation possible, also in those enterprises which, suffering from defective solutions of the price, tax and economic-financial systems, are not able to ensure their employess total pay rises in line with the law on rising pays and farmers incomes in connection with changes in retail prices of consumer goods and services in 1989.

The Sejm also demands that the government settle the issue of extras to be added to pays of employees of the budgetary sphere in connection with increased food prices and comprehensively analyses—not later than in the mid-fourth quarter of this year—results of the adopted principles of indexation of individual pays and farmers incomes and, after consultations with trade unions, present to the Sejm proper suggestions as regards the operation of indexation mechanisms in the future.

Also, the Sejm expects the government to present draft amendments to regulations on old age and disability pensions not later than in September, 1989.

'Citizens' Group Divided Over Indexation

LD3107212189 Warsaw PAP in English
1954 GMT 31 Jul 89

[Text] Warsaw, July 31—Discrepant opinions on a planned law on indexation of wages were voiced at a meeting of the citizens' paliamentary floor group here today. The controversies concerned above all support for the first of the two suggested variants of indexation which assumes indexation of wages of all workers at the level of 80 percent of the price growth index, this being in tune with the stand taken on the issue by the "Solidarity" national executive comission. The floor group's chairman, Deputy Bronislaw Geremek appealed to all the group members to vote for the solution, that is for general indexation.

Discussion was also provoked by the issue of indexation of rural population incomes. Deputy Jerzy Osiatynski said the draft law provided for an improvement of this year's parity of those incomes against incomes of the socialized sector employees by three points against 1988.

Referring to that Deputy Ryszard Bugaj pointed out that such a provision is of particular significance in the current dramatic economic situation and polemized with Deputy Jacek Szymanderski's stand who postulated incomes to increase of supply prices in agriculture.

The meeting discussed also the issues connected with formation of the Sejm committees, now being finalized, and with a planned address by the floor group's representative on the assessment of the outgoing government.

Senate Discusses Food, Agriculture Situation

LD3107194789 Warsaw PAP in English
1815 GMT 31 Jul 89

[Text] Warsaw, July 31—The Senate met here today to debate the problems of agriculture, food economy, and feeding the nation.

In his introduction to the debate, Senator Gabriel Janowski made a broad historical outline saying that Polish peasants managed to protect the foundation of their independence, the private possession of land. Referring to the marketisation he said that it must not be reduced to making free the procurement and retail prices of food but it must be combined with genuine de-monopolisation. He supported the "privatisation of what surrounds farming" and the re-organisation of industries working for agriculture.

Senator Jerzy Dietl said that necessary is an active policy of the state as a partner on the market. The present operation is risky because of slim meat reserves. Farming cannot be expected to recover with its own forces under the present situation, without intervention. This is why crediting preference has to be granted to farming and its surrounding.

An opposite opinion was apparently represented by Senator Jozef Goralczyk who said that farming could even double its production for this is also in the interests of farmers.

The proposal to raise procurement prices by 15 per cent in connection with the marketisation can only anger farmers, said Senator Mieczyslaw Trochimuik.

Senator Boleslaw Fleszar firmly supported agrarism as the idea of life and principle of land management. He said that this ideology was the basis of development of peasant movement and the activities of the former Polish Peasant Party PSL. According to Senator Wlodzimierz Bojarski under the present situation solidarity between urban and rural community must consist in certain shifts in the division of national income to the benefit of the latter.

Senator Jozef Slisz referred to the transformation of "igloopol" into a company by stating that no one knows who evaluated its vast assets, the public opinion was never informed about such details. Slisz motioned that the Supreme Board of Control NIK investigate the case and publish the results.

Senator Henryk Stoklosa stressed that farmers says their decided "no" to the policy of overt discrimination of farming and rural people and to actions leading to food shortage on the market. He said he expects dissolving of central cooperatives, amalgamations, and unions, and called for division and independence of "agroma" and "pekpol" lifting the limitations to foreign trade. Voices concerning the switching over of part of the military industry and production for agriculture are, according to Stoklosa, right though a little demagogical. It would be more effective to reduce the Polish Army. "I have very much hoped for the participation of Solidarity people in the government. It would be easier with them to break various stereotypes in running the economy," he said.

Senator Karol Modzelewski said that there is no uniform opinion in the Senate on the planned marketisation of food economy. In its present shape it is a caricature of what it should be, he said, adding: We again witness the method of accomplished facts and arrogance. The style of work of the government is irresponsible and the Senate should not agree with it but emphasize its disagreement.

The dispute over, the Senate elected two committees to draft bills on agriculture and food economy, and a Senate's position on the government concept of food economy marketisation. The respective resolutions will be adopted tomorrow.

Senator Wants Government's Economic Powers Cut

LD3107133289 Warsaw Domestic Service in Polish 1021 GMT 31 Jul 89

[Speech by Senator Cezary Jozefiak of Lodz; at the 31 July Senate meeting held in the Hall of Columns of the Sejm building in Warsaw—live]

[Excerpts] Mr Speaker, esteemed Senate. Tomorrow, the government's decision on the so-called introduction of market mechanisms to the food economy comes into force, which [word indistinct] decision the government made the day before yesterday. Today, the Sejm is to examine the issue of the government's resignation. We do not yet know what team will take over this pathetic inheritance left to it by the retiring government. Within the framework of his inheritance, we must cite, above all, the public debt contracted by this government in the form of an enormous budget deficit. Also within this inheritance we must take into account the effects of an extremely dangerous maneuver, an extremely dangerous variant, the alleged introduction of market mechanisms into the food economy. [passage omitted]

I would like you to view my speech as an attempt to give certain stimuli [words indistinct] the Sejm. I think it will result in the new Sejm giving urgency to abrogating the Law on Special Powers, because what is happening within the framework of government policies may take place then, while this government, in practice, can (?do nothing). Second, it is urgent that our—particularly the Deputies' Club—submit the matter of finally establishing a law on the Council of Ministers, a law which would define the government's economic powers and the consequences it would have to bear if it exceeded these powers. These powers have to be defined, but they must, in reality, be narrowed down. Finally, what I have in mind is to convey our opinions to the Deputies' Club, and maybe also generally to the Sejm. There will probably also be other opinions to those I have just presented, opinions behind which potentially shelters the placing of the government before the State Tribunal. Thank you for your attention.

Vice Premier on New Food Marketing Principles

LD3107213689 Warsaw PAP in English 1913 GMT 31 Jul 89

[Text] Warsaw, July 31—The publication in today's press of a communique on introducing market principles in the food economy was followed by a press conference at the office of the government spokesman today with the participation of representatives of the government and state administration.

Vice-Premier Kazimierz Olesiak said the operation started concrete, and not only legal, changes in the economy. The operation aims to overcome resistance and irregularities growing for 40 years and to embark upon the road of normality. The outgoing government decided to take this step to make it easier for the next one to consistently pursue the road of reforms.

Minister of Home Market Marcin Nurowski said that all the legally operating political, trade union and state structures were for switching the food industry into market principles. He said the government made the final decision, waiting to the end for a stand of trade unions, to which the proposals were presented more than a month ago. A telex of the Solidarity National Executive Commission starts with a declaration "We are for this,"

although it contains several basic doubts and questions concerning especially cushioning measures. The very raising of the problem and the decision itself are not questioned by anybody.

Vice-Premier Kazimierz Olesiak added that differences referred to the character of cushioning measures. The Sejm examines a draft law on indexation. The shape of the law will in fact determine the way of compensating for the rise in prices, including the rise in food prices following the introduction of market forces into the food industry.

Director of the Department of Finances of the Food Economy and Market at the Finance Ministry Adam Tanski said that, according to data of the GUS chief statistical office, in the first half of this year about 38 per cent of the population's expenditures were assigned for food (in June 32 per cent). Free food market will cause primarily the rise in prices of items sold so far at official prices. This is half of all foodstuffs in the market. It is estimated that purchasing prices will rise by about 32 per cent but he said a change in purchasing prices by about one third would result in a manifold change in food prices.

Minister Marcin Nurowski said that, counting in fixed prices, the supplies of food to the market in 1989 were by 12 per cent higher than in the same period of 1988. Therefore, empty shelves are a peculiar paradox. It is beyond any doubt that a battle for market will start as of August 1. The minister said the government introduced a principle that retail prices would be fixed by economic subjects operating in trade network and they can be a small shop, a bazaar stand and a great trade organization.

Government-Union Talks on Marketization

LD3107223489 Warsaw PAP in English
2140 GMT 31 Jul 89

[Text] Warsaw, July 31—Representatives of the government and of four trade union organizations, including the All-Poland Alliance of Trade Unions (OPZZ), Rural Solidarity, the independent self-governing trade union Solidarity and the National Union of Farmers, farmers' circles and organizations, met today to discuss the so called marketisation of the food industry. The meeting was attended by vice-premier, Minister of Agriculture, Forestry and Food Economy Kazimierz Olesiak.

Before making a decision on introduction of market forces into food economy the Council of Ministers took into account some union postulates whereas others of the systemic character will be urgently implemented to fully switch this sphere of the national economy to market mechanisms, Jozef Oleksy, minister for trade unions, said.

There is no divergence between the government and union organizations as concerns the way the operation is understood as a certain, though essential, stage in reaching a model of market economy, he stated.

Jacek Szymanderski, representative of Rural Solidarity, stated that the decision in question was, in fact, the price-income operation which would bring negative effects for the countryside. Since one must expect a radical increase in prices for farming production means.

We agree that it is necessary to switch the national economy, including the food sector, to market mechanisms, said OPZZ Vice-Chairman Waclaw Martyniuk. Compensation for increased prices of food should be full, that is fully cover expected price hikes.

Lech Kaczynski, Solidarity, stated that the marketisation raised basic objections as terms settled at the round table were not fulfilled and because of the ceiling of compensation which would not cover increased living costs.

He added that the operation could be of essential importance for Polish developments. So far Solidarity has pursued the policy aimed to limit claims because of the difficult economic situation. At present the union's possibilities in this respect are running out, he told the meeting.

Participants in the meeting agreed that talks and negotiations on issues of interest to representatives of all trade union organizations would continue in the coming days.

Railroad, Gas, Oil Industry Workers Begin Strike

LD3107220489 Warsaw PAP in English
1957 GMT 31 Jul 89

["Strikes, Protest Actions Escalate in Poland"—PAP headline]

[Text] Warsaw, July 31—Gas producing enterprises operating in the southern, western and south-eastern regions of Poland started a protest action against deteriorating financial conditions in the sector.

Today the Federation of Trade Unions of Oil Mining and Gas Industry joined the action and started talks with the management of the Polish oil mining and gas industry enterprise. The federation warned it would stage a strike if talks did not lead to agreement.

Meanwhile, employees of the local heating energy enterprise in Grudziadz and its branches in Chelmno, Nowe Miasto Lubawskie and Wabrzezno, northern Poland, continue their strike. The strike committee demanded considerable pay rises exceeding current possibilities of the enterprise.

In another development, representatives of the general management of the Polish State Railways and the local strike committee started talks in the south-western city of Wroclaw today to discuss postulates and suggestions presented by railwaymen during their several days' protest action. They concerned realization of a full and real reform of management in the enterprise.

Walesa Chairs Executive Commission Meeting

LD2907222589 Warsaw PAP in English
2155 GMT 29 Jul 89

[Text] Gdansk, July 29—The press office of the Solidarity National Executive Commission (KKW) today conveyed the following communique to PAP:

A meeting of the Solidarity KKW, held here today, was opened by Solidarity Chairman Lech Walesa.

The agenda of the debates envisaged organizational and trade union questions and Poland's most urgent socio-economic problems.

Eight new members were admitted to the KKW which now includes 42 representatives of the regions. Representative of the Hungarian Solidarity Federation of Workers' Unions told the KKW about the state and prospects of his organization. The co-ordinating office delivered a report on the way of convening trade union funds.

The meeting discussed the situation in enterprises of the state car transport, railways, the post office and telecommunications which is difficult, full of tensions and strike protests. The KKW voiced support for legitimate postulates and demanded that representatives of the ministries of transport and communications immediately start talks with employees of the institutions mentioned above, with Solidarity taking part.

Next, the debaters discussed in detail the Solidarity stand on the principles of putting food economy on market principles as well as on indexation, unanimously adopting a statement on this question.

Chairman of the citizen's parliamentary floor group Geremek delivered a report on the work of the floor group, recalling its origin related to Solidarity. The debaters also discussed the Solidarity economic work and the functioning of the Solidarity structures in multi-factory enterprises.

The last item of the debates was a debate on the Solidarity information policy and its access to mass media and its claims to the union property. The debate also reflected negative reception by Solidarity members in factories of the election of Gen. Jaruzelski to the post of president.

Lech Walesa Interviewed on Elections, Economy

PM3107115289 Rome LA REPUBBLICA in Italian
28 Jul 89 p 11

[Interview with Solidarity Chairman Lech Walesa by Andrea Tarquini; date, place not given]

[Text] "We won the elections, and we should form the government if politics were a logical matter. But it seems that the domestic and international context do not permit it. In any case, it would be a dangerous mistake to accept the vice premiership and a few key ministries: The society that chose us would feel abandoned; if I had said 'yes,' my adversaries within Solidarity's radical wing would have accused us of capitulation, they would now find a readier audience in a Poland weakened by the crisis and on the verge of painful options for the sake of recovery, and the threat of disorder and protests would increase. This—and not any preconceived hostility—is why we say 'no' to General Jaruzelski's offer of a compromise. Instead, we will form a shadow government in order to keep the real country in check."

This is what we were told by Lech Walesa in the interview that he granted us on the tense eve of the party plenum. Here is our conversation:

[Tarquini] Mr Walesa, Gen Jaruzelski has proposed that you join a coalition. Your adviser, Adam Michnik, on the other hand, proposed a French-style "cohabitation" between a president with strong powers and a government formed by yourselves. Why has neither of these solutions materialized?

[Walesa] If politics were a logical matter, in view of the election results the entire government should belong to us oppositionists. It seems, however, that for the moment this solution is not possible, that such an outcome is not permitted by either by the domestic situation (the fears of the communist apparatus, hostile even to Jaruzelski, Kiszczak, and the other reformers—LA REPUBBLICA editor's note) or by the international context.

[Tarquini] What will you do following your "no" to Jaruzelski's proposal?

[Walesa] We will remain in the opposition and create our shadow government, as the opposition customarily does in Britain. We will bring together our best leaders and experts from all fields of public life.

[Tarquini] What kinds of cooperation or convergence remain possible between you and the president?

[Walesa] I hope that as far as the major problems are concerned—namely, the economic situation and the major political problems—we will succeed in cooperating and finding solutions together as correctly and as honestly as possible. But in some fields—starting with the conception of democracy—our viewpoints and opinions will always differ. So in some fields we will cooperate with the government and in others we will not. Basically, I hope that we will be able to come together and cooperate, in the knowledge that we will never be united.

[Tarquini] Let us consider some specific instances: The government is planning a return to the market economy—in other words, tough price hikes. Are you afraid that they will spark dissatisfaction?

[Walesa] The return to the market economy? Very well, I am in favor of that. We will be embarking on a painful enterprise, but we have no choice. Certain conditions must be guaranteed: the protection of the poorest strata of society; the elimination of the state monopoly, because only thus can the market really be established; and the introduction of all the economic and political reforms agreed at the roundtable.

[Tarquini] Are you not afraid of strikes and protests?

[Walesa] Yes, I do fear them. I do not know whether people realize that there is no other solution for restoring the economy to health, and that this time the country will not be duped. I myself wonder whether we will be duped again this time, whether yet again we will see increases without reforms.

[Tarquini] Your critics say that the government has set curbs on you, brought Solidarity under its control, while basically conceding very little: Now you have to support the price hikes. How do you answer that?

[Walesa] Well, let us consider the facts; let us remember the Poland of a year ago, without pluralism and with Solidarity still outlawed. Now we are dealing with a totally different, unrecognizable country: You would have to blind not to see this. I am proud that our ideals of democracy and trade union freedom have prevailed. Of course, this is not enough, but at the moment we cannot have any more, we are not ready, we cannot run any risks. So not everyone agrees with what I say? Very well, then: Here is the pluralism for which we struggled so hard.

[Tarquini] Has the crisis not strengthened the radical opposition, which rejects a compromise with the authorities and demands a return to the struggle?

[Walesa] Basically, I am pleased that they are speaking out; I would just like them to be more reasonable. I would like them to present a political platform, not to confine themselves to arguing with me or my friends within the Solidarity leadership. I would like them to realize that it is not enough to be prepared to struggle for bread, and that without a proper political platform it is impossible to guarantee even bread to the people whom we want to defend.

[Tarquini] Do you not believe you were wrong to forego a resolute "no" to Jaruzelski's election as president?

[Walesa] No, definitely not. First, because the accords signed at the roundtable granted the communist coalition a 65 percent majority in the Sejm, and pledges must be honored. Second, because the international and domestic situation are not yet ripe for complete democracy here.

[Tarquini] Why did you not agree to stand as a candidate for the presidency?

[Walesa] Me, president? Who would accept me at a Warsaw Pact summit? Who within the Army or security forces would accept me? I know that it was perhaps the greatest opportunity of my life and that it will never return, but I must think not of myself but of the national interest. Did I sacrifice my political career in so doing? I do not regret it.

[Tarquini] The West has pledged to help the Polish economy. Will this aid be useful and, if so, on what conditions?

[Walesa] For the moment we cannot talk in terms of aid; we can only talk about a statement of goodwill, which gives grounds for hope. We believe that an injection of $10 billion is needed to enable the Polish economy to start functioning. The condition is that the aid go not so much to the government as to the private enterprises and joint ventures.

[Tarquini] During the election campaign your relations with the church were difficult and the bishops frequently challenged your candidates or failed to support them. Now Glemp is suggesting that you join a coalition government. How do you judge your present relations with the church?

[Walesa] I hope that slowly, with pluralism, the church will be happy to restore the public functions that it had to take on, taking the place of other organizations when they were illegal. We thank the church for what it did when we were in prison, in the distant past.

[Tarquini] Will Solidarity, remaining in opposition, have to remain primarily a trade union or become a labor party in the future? Will political responsibilities and the defense of the workers not conflict and bring you to a split between moderate politicians and more radical trade unionists?

[Walesa] I have said a thousand times that we are, and want to remain, primarily the great movement for reform. Various organizations and institutions—first and foremost, our parliamentary group—must separate from us and perform their political duties. We must increasingly become a trade union and leave politics to our parliamentarians.

[Tarquini] Gorbachev has said that you are welcome in Moscow, and you have often expressed the desire to go there. What are your plans now?

[Walesa] I was very anxious to visit Moscow a few months ago, when it was necessary (during the roundtable negotiations—LA REPUBBLICA editor's note). Now I am no longer in a hurry, but the visit remains an important plan.

Geremek on Solidarity Role in Government

AU3107131789 Hamburg DER SPIEGEL in German 31 Jul 89 pp 105-108

[Interview with Bronislaw Geremek, chairman of the Solidarity parliamentary group, by Martin Pollack and Ernest Skalski: "With the Communist Party on a Sinking Ship"; date, place not given]

[Text] DER SPIEGEL: Professor Geremek, the Polish opposition is backed by the majority of the people and would probably also gain the majority in the Sejm. Why does it not want to assume government responsibility?

Geremek: The opposition's starting position is good because the situation in the country is bad. The economic and administrative structures are disintegrating, and society has awakened.

DER SPIEGEL: Therefore, it would surely be all the easier to take over power.

Geremek: Not necessarily. This process of disintegration does not yet include the power of the Polish United Workers Party [PZPR].

DER SPIEGEL: We have the impression, however, that the opposition is not ready to take over power.

Geremek: If the opposition had moved into Parliament without considering itself capable of governing, it would be irresponsible. We intend to take over the government, but we want to approach this goal step by step.

DER SPIEGEL: Why?

Geremek: The PZPR and its branches will first have to find their place and some sort of chance within the process of change. Otherwise, they would destroy this process. They do have the instruments to do so. For the moment, it is not a current problem for us to take over the government, because that would mean suicide for the PZPR which—strictly speaking—is now only an apparatus distributing privileges. To be able to last, an opposition government would have to hit the nomenklatura and abolish its privileges. However, the PZPR needs to have a chance and time to change its character.

DER SPIEGEL: But is this nomenklatura that dangerous?

Geremek: The problem is not the 1.2 million people in the apparatus, but the few thousand prominent people who wield power.

DER SPIEGEL: If Solidarity is ready to take over power, does that mean that it believes it has the proper people?

Geremek: I could get away with a lie by saying that it is easy to govern better than the present government has been doing. However, we should not relativize the matter. In 45 years, everything has been done here to turn the country into a political desert, because policy was reserved to one party. However, in the course of the past 10 years, a group of trade union leaders and leaders of social organizations has developed which has excellently managed to conduct an improvised election campaign even in small towns and villages. It is difficult to learn to govern without being in government.

DER SPIEGEL: Do you not fear that the people's elan could diminish while you are waiting for more favorable conditions to take over power?

Geremek: Elan diminishes when the situation is hopeless. Many people considered it a sign of hopelessness that following parliamentary elections that we won, a president was appointed who personifies the party that was rejected. However, if something happens in an area where the people have to determine, elan is created. I think that local elections will fulfill such a function, once we have got rid of the mafia that is governing in the municipalities.

DER SPIEGEL: It was the opposition, was it not, which made Jaruzelski's election possible at all. Has your relationship with him changed?

Geremek: Not at all. For my part, General Jaruzelski is—and remains—the man who imposed martial law on 13 December 1981. I voted against him, because I could not help doing so. He is the head of state now, and we will now judge him by what he does and by what he does not do. I had to make clear that the Polish opposition does not accept the power that was used against it, even though I would also like to state that Jaruzelski's attitude during a meeting with our parliamentary group has also compelled me to a certain extent to respect his person. He remained true to himself; he did not want our support at any cost.

DER SPIEGEL: Have those among your friends who helped him get elected decided to accept the lesser evil?

Geremek: No, they have considered the consequences of the roundtable talks, which have been assessed as something good. In addition, they were only 12 out of 259 of our people. Our group is not uniform, it does not speak with one voice. It only rallied to win the elections, but in everyday life, different directions and ways of thinking are represented in it.

I respect those among us who have rendered possible the election of this president. Rejecting one general—Jaruzelski—would have entailed rejecting the other general—Kiszczak. That would indeed have been a challenge to the armed forces which form part of the elite wielding power.

DER SPIEGEL: However, what would happen if events were to develop more rapidly than envisaged in the scenario at the roundtable? Would it then not be better to adjust to the new speed, instead of putting on the brakes?

Geremek: It is probably better to adjust to events. However, you must know what you are doing and what you are not doing. The acceleration of events requires immediate and very specific steps. I mean by "immediate" a period of a few days, because the government has caused the economic and social situation to deteriorate so immensely that hesitating any longer would be dangerous.

DER SPIEGEL: What steps do you mean?

Geremek: First, the way and method by which the people are informed about social problems must be changed. Before the legislative reorganizes control over television, a third, social channel must be opened. If the newscasts in the First Program fall under the jurisdiction of the state power, the newscasts in the Second Program must be under the jurisdiction of the opposition. That is also in the interest of the respective other side.

DER SPIEGEL: Do you intend to divide up the mass media?

Geremek: In any event. Otherwise, we would have no control over the situation, if there were to be a social explosion. The public cannot clearly understand the opposition leaders' attitude so long as we do not have unhindered access to the media. Therefore, one crisis followed another on our side. What counts is our permanent presence in the media, and not that we may occasionally publish last minute appeals.

DER SPIEGEL: What else do you demand?

Geremek: An independent administrative authority on public property must be set up immediately. This will be a clear break with the present administrative structure. In addition, the course must be set equally clearly in the direction of private economy. Without a change in the ownership system, there can be no change of the system on the whole. That means that the change of the system must be initiated by a change in the ownership system. This would be my second point.

DER SPIEGEL: And the third point?

Geremek: Foreign investments must be controlled by the opposition or by an independent body. The control of these investments must not be subordinated to any political goals of the present state power; it must be guided solely by economic aspects.

DER SPIEGEL: Would that be all?

Geremek: No, our fourth demand, which is a very important one, is the appointment of a national council for the judiciary, which was agreed on at the roundtable. Only then will jurisdiction cease to be a political instrument in the hands of state power, and only then will the people be able to feel safe in their own country.

DER SPIEGEL: You mentioned the danger of a social explosion. Is Solidarity prepared for that?

Geremek: Nobody is ever prepared for a social explosion. It would be naive to think that such a large fire—if it should break out—can be extinguished. However, it is possible to take preventive measures against such a danger. This is what we are trying to do now.

DER SPIEGEL: You stated that you want to prevent this danger through a permanent dialogue with your own social base. Do you think this will possible if you have to make the base suffer considerable hardship? Will Solidarity succeed in convincing its supporters of this bitter necessity?

Geremek: It will become very difficult if clashes of interest prevent the implementation of many important decisions. Even at this point, the conflict between towns and villages is blocking the indexation of wages which was agreed at the roundtable. This was consciously adopted as an evil, but as a necessary evil during the transition period. Now the farmers are also calling for an indexation of their incomes.

DER SPIEGEL: Do you think their demands are justified?

Geremek: Yes, I think so. Because the farmers are a social group that rightly has the feeling that it is underprivileged. As a matter of fact, in accordance with the stipulated parity of incomes in towns and villages, the incomes of farmers should reach over 100 percent of incomes of workers in the towns (they reached 107 percent in 1981). In reality, however, they are 88 percent. There is no doubt that higher incomes of the farmers would lead to an increase in agricultural production whereas the payment of increasingly higher wages to workers in towns only leads to an increase in the production of a single commodity—of money.

DER SPIEGEL: However, Solidarity is a trade union of the workers. Can you risk not representing their interests?

Geremek: Solidarity is in a very difficult position. Millions of people have not yet become members. They want to see how the trade union handles various problems. Our guideline has always been the struggle for social justice, irrespective of particular interests. Now, a contradiction has become visible here.

DER SPIEGEL: Also among the workers in the towns?

Geremek: The workers of large production firms have fought for wage increases that often exceed the price increases and thus also the indexation, which should not exceed 80 percent of the rate of price increase. If these workers should also be included in the indexation, inflation would increase rapidly, and the situation of those groups of the population who are not capable of defending their own interests would even worsen. At the

same time, however, the workers of large enterprises are the main supporters of our society. How will they react if they do not get anything now?

DER SPIEGEL: Would you like to answer this question?

Geremek: Lech Walesa will ask the following question at the national session of the trade union: Will Solidarity agree to a further discrimination against the weakest group in a situation in which the strong are not doing well either?

DER SPIEGEL: What happened that such a situation developed?

Geremek: The government was obliged to introduce indexation before the end of May. Anyway, it preferred to burden the new parliament with finding a solution to this problem.

DER SPIEGEL: Would it not be better in view of these problems to enter into a coalition government, as Jaruzelski suggested to you?

Geremek: If we are not allowed to form our own government, we would like to remain in opposition. Participation in a coalition government is out of the question. Such a maneuver is aimed at our destruction, which was openly admitted by outgoing Prime Minister Rakowski in an interview with TRYBUNA LUDU. It is not possible for us to assume responsibility for things that we do not decide.

DER SPIEGEL: Would the formation of your own government not involve a considerable risk for the opposition?

Geremek: Of course, the communists could also try to destroy us by suggesting to us that we form a government of our own, which would also involve considerable risks for them. It is difficult to assess the final outcome. However, I think that they will not do that.

DER SPIEGEL: Do you not see any possibility of cooperation?

Geremek: I believe that in view of the danger that we all are facing, a consensus on economic issues might be possible. We are all in the same sinking boat.

DER SPIEGEL: Is the boat not primarily being sunk by the current state power?

Geremek: For this reason, we do not intent to trust the state power blindly. We do not believe that the cheater will be honest this time. We will certainly exercise some kind of control.

DER SPIEGEL: What possibilities do you have?

Geremek: We can use the parliament, for example. I am thinking of an extraordinary joint commission of Sejm and Senate. Under the leadership of the opposition, it would be entitled to control the government and to assess its actions.

DER SPIEGEL: Would this not amount to declaring the government incompetent?

Geremek: No, as a matter of fact, the government does not have to listen to the commission. However, if it acted against the commission it would be facing a difficult debate in parliament and corresponding consequences.

DER SPIEGEL: This reminds one of the kibitka wagon for prisoners in Russia under the Czar: The coachmen hit the horse and the gendarme hits the coachmen. Can this work in present-day Poland?

Geremek: I will not answer a bad metaphor with a bad metaphor. Rather, it will be a rally car that needs both a driver and a co-driver. The two have different functions but a common goal. We also need such a consensus because of our relations with other countries.

DER SPIEGEL: Western help for Poland is rather small for the time being. Is the opposition not partly to blame for this because it was not able to present a credible program which would attract investors?

Geremek: No, I do not think so. The opposition has a program but it is too general. However, if one is not in charge of the government and does not have full access to information, it is difficult to work out a detailed program. What the West is interested in is not the quality of the program but the feasibility of the program. This is the reason why cooperation between the state power and the opposition is necessary. This would guarantee that no side tries to obstruct the program.

DER SPIEGEL: Are you disappointed at the small volume of Western aid that has been promised so far?

Geremek: There are people who are disappointed, but I am not one of them. We would not be able to handle a more extensive aid at the moment. We know that this is only the beginning of the program. What we need at the moment is food supplies so that we can survive the tough period without obstructing the development of our agriculture. What we need are small loans that should be used in the right areas, and we will get these.

The situation will change, however, when we reach the second phase—not of reforms, but of the changes involving the whole system. Then we expect more extensive support—with due controls of course.

DER SPIEGEL: Who should exert control?

Geremek: Primarily the parliamentary opposition, but also the international financial institutions and European bodies. I do not share the view of those who claim that this would endanger our sovereignty. I support the concept of sovereignty and will do everything to restore Polish sovereignty. There is no reason for a sovereign country to be afraid of such controls.

DER SPIEGEL: The problem of Poland's sovereignty is linked with its relations with the Soviet Union. How do you assess these relations?

Geremek: My view is very simple: We are dependent on the development of events in the Soviet Union and Gorbachev's success, who in turn is also dependent on success in Poland.

DER SPIEGEL: How did you, as a historian, become one of the opposition's leading politicians?

Geremek: As little as 2 years ago, I still believed that I should continue to play the role of an intellectual and adviser. I am not a professional politician and would not like to be one. I am doing my duty. I think I would be a coward if I did not face up to this challenge.

DER SPIEGEL: Were your political expectations confirmed by the actual course of events?

Geremek: Even to an extent that I did not expect. I predicted the actual course of events. However, I did not expect this prediction to become true so completely and so quickly.

DER SPIEGEL: Mr Geremek, we thank you for this interview.

Miodowicz Examines Workers' Welfare, Issues

AU3107150189 Warsaw TRYBUNA LUDU in Polish 26 Jul 89 p 3

[Article by Alfred Miodowicz, Politburo member and chairman of the National Confederation of Trade Unions : "Whose Poland?"]

[Text] At this critical juncture in postwar Polish history, and after we have tackled the most pressing tasks in the sphere of the democratization of our state; tasks that stem from our society's political necessities and the accords of the "roundtable," we have to ask ourselves the basic question, namely: What is to become of the material base of the millions of working people? Nobody will deny that this is a fundamental question.

The answer to this question will decide whether our "historical experiment" succeeds or not. I feel that the aim of this experiment should be to bring about a marriage of our citizens' freedoms and rights with a reasonably sufficient standard of living of working people in such a way that these citizens will wish to and will be able to jointly participate in the state's decisionmaking process.

I wish to express my view on this crucial question not as the chairman of the National Confederation of Trade Unions [OPZZ], but as a private citizen and party member who has lived through every one of the crisies of our postwar 45 years, and who knows that these dramatic and tragic episodes of People's Poland, regardless of other factors and causes, had their beginnings to a greater or lesser extent in the workers' and peasants' revolts against poverty, degradation, and plain exploitation.

A State for Its Citizens

In Poland this exploitation was carried out in the name of long-term aims. For far too long this continued to be justified by the need to shake off our centuries-old backwardness and make good the devastation of the war, or by development necessities. Today, we rightly hear talk of the challenge of the 21st century and of Poland's rightful place in the European home. The ultimate factor was and will continue to be the overriding interest of the Polish state and its nation. This is undoubtedly correct from the historical point of view, but we have to ask ourselves the question: Must the people remain in perpetual poverty for the good of the state interest?

The opposition, which grew out of the workers protests, is today heralding the momentous moment as the beginning of the fourth republic. I interpret this as a negation of the third, the postwar republic, and a return to the second, namely, the prewar republic. Almost three-quarters of our society does not have the least idea what things were like then. How the petty bourgeoisie, the millions of workers in the towns, the peasants, and the agricultural workers without land in the villages lived at that time. Such a glorification of the prewar order can only be described as intentional deception, and since it is clear that the third republic, and to an even greater extent the second republic, were unable to satisfy the material aspirations of its working people, the most important question now is: Will this so-called fourth republic do any better?

The state cannot be an aim in itself. The state exists for its citizens, and above all for the great mass of the millions of people who support the state by their work. It is not the state that supports the people, like a benevolent father, or a rich uncle, but it is the other way round. In the coming fourth republic what is to happen with the state's superior interest and the superior good?

Whose and What Kind of Republic?

A poet once wrote: Poland yes, but what kind of Poland? I would add: Whose Poland is it to be and will this Poland really be ours? Respected people in Poland such as Professor Trzeciakowski are calmly suggesting that as

collateral for our crippling debts we should mortgage to Western capital our factories, which we had to build so painstakingly with such poorly paid effort, and which still continue to function as best they can. Again, nobody is bothering to ask the working people for their opinion. Poland has already repaid $10 billion more than the total sum of its borrowings since 1970. In spite of this, we still have a debt of $40 billion, which is equivalent to over one half of our national wealth. Thank heaven that certain capitalist countries accumulated even greater debts, otherwise this may have been used as a negative reflection on socialism.

I am not aware of the exact figures, but I think that not even the Soviet economic exploitation of Poland in the fifties (it was only in November 1956 that Gomulka succeeded in weakening the grip of this injustice) was as drastic as it has been during the last 18 years in our relations with the West. It is said that during the fifties we were being politically raped, and this was indeed the reality. But rape can assume different forms. It does not have to be brutal, naked, or direct. It can be as "free" as the dollar, as "democratic" as the German mark, as "European" as the ECU, and as ruthless as the "adjustment program" that the IMF and the World Bank want to impose upon us. This is the program which will be implemented and which reflects the nature of those institutions and of financial relations. I still have vivid memories of Deputy Premier Kisiel, one of our prominent figures of the 1970's, and who is still continuing to play with Polish finances, who stated a few years ago that "we may sweat blood, but we will never be able to repay our debts." People like him are still trying to convince us that we wasted those credits away, that we "ate" our way through billions of dollars and now we have to tighten our belts in order to pay back the debts. Undoubtedly, there were instances where we made foolish investments, or did not make maximum advantage of the credits. If this was the case the working people had no say in it. Nobody asked their opinion.

As concerns "eating away," it is quite true. Many fortunes born of corruption and excesses on the borderline between our bureaucracy and the then so-called "franchise" enterprises, began to flourish then, only to stare us in the face today with the great effectiveness of these enterprises and high praise for the success and wealth of their owners. These successes today serve as the decisive argument for "changing the structures of ownership," which indeed appears unavoidable, and will change today's workers into tomorrow's joint proprietors of the national wealth. Nevertheless, one frequently finds that this structural change is too often and too widely identified with privatization in its purest form, so that it does not raise fears about whose Poland it will be.

In our new pluralistic Sejm and new Senate, everyone is saying that it must be a Poland for all the Poles. From the point of view of the members of the two chambers this is quite understandable and correct. One hears the opinion that the parliament is half democratic. I do not agree with this. In my opinion it is one quarter democratic. Among the overwhelming majority of directors, chairmen, professors, artists, journalists, or bureaucrats, there are fewer workers and peasants, the salt of the earth, than in the prewar Polish Sejms, and less than in the Western parliaments. It is really the workers and peasants who need democracy. Regrettably, it is the democracy of the elite which has gained the upper hand, and it is this elite that is wallowing in rhetoric and cries of freedom.

One is, therefore, rightly fearful as to the way our highest representatives will react to the fundamental question of the material base of the nation. An indicator of this will be the way indexation and other "necessities" are implemented by reason of the "adjustment program." One often hears the cry of social justice, but I have a profound fear that this may already be an empty phrase.

Democracy, But Not As a Substitute

Our parliament is the result of a negotiated political contract, a compromise between, on the one side, the old bureaucracy which, with the help of joint stock companies, has begun to appropriate national property, and on the other, the intellectual forces of the opposition which have grown out of the workers' and peasants' mass protest movements. This parliament thus offers no guarantee that it will be able to break with the policies of privatization and foreign capital. On the contrary, if one is to believe its statements, it is there to secure social quiescence for the next round of "belt tightening." There are fears that the government of national accord, which is being sought, and its policies may be such that the majority of our society will lose all understanding of our splendid democratic transformations. One cannot eat democracy. Naturally, democracy must must mobilize the productive forces of the nation, but never to its own detriment. Democracy must include the welfare of the working people. Instead, the situation—I spoke about this at the "roundtable"—increasingly looks as if food is becoming a luxury. Are we willing to believe in miracles, whereby this state of affairs will be tolerated by millions of people?

The party, which is losing contact with its social roots—I warned against this—lost the elections because of its own choice and only others gained from this. Now we have an ongoing discussion on the future face, program, name, and social base of the party. Granted, we have to discuss the party, its program, and its social base. But we have to do it, having first defined our relationship to the question of a political system, that is democracy and freedom, as well as to the absolutely paramount task, regardless of what is now being decreed, of protecting the material interests of millions of working people in the cities and rural areas. It is only after taking the sum of these political and socioeconomic factors into consideration that the party will be able to reply to the question: Whose Poland?

Instead of the grand deliberations about values and aims, in the party discussion which is about to begin let us address the question: Must our society remain in perpetual poverty, while a small group of bureaucrats, speculators, and private owners are lining their pockets? There are grave misgivings whether those people who have hitherto been leading the reforms to their own advantage and at the expense of others should carry on.

The drama of the situation has inclined me to put my thoughts on paper in a clear, in places harsh, but open way. If we have something to say let us start by telling the people the whole truth about the present situation and the bad forecasts for the future.

Army Delegation Received in Washington

LD0108020989 Warsaw PAP in English
2309 GMT 31 Jul 89

[Text] Washington, July 31—A delegation of the Polish Army headed by Poland's Vice-Minister of National Defence Antoni Jasinski started today an official visit to the U.S. paid at the invitation from the Joint Staff of the United States Armed Forces.

It is the first official visit to the U.S. of representatives of the Polish Army at such a high level since the end of World War II.

A rich programme of the visit, proposed by the American side, envisages, among other things, meetings and talks with representatives of the U.S. military command and ministry of defence, visits to military units and colleges.

Both the Polish and American side attach great importance to the visit in the context of the bilateral contacts and multilateral relations resulting from Poland's participation in Vienna negotiations on reduction of conventional armed forces and armaments.

Adam Michnik's Visit to Moscow Reviewed

AU3107153089 Warsaw POLITYKA in Polish
22 Jul 89 p 11

[Article by Slawomir Popowski: "Michnik in Moscow"]

[Text] Almost 4 years ago when I started working as PAP's Moscow correspondent, even in my wildest dreams, I would never have assumed that I would one day be sitting in the hall of the Supreme Soviet among people's deputies, who describe themselves as the opposition, and that in addition, Adam Michnik, the politician and opposition activist, would be sitting among us; someone who has been called a revisionist, ideological saboteur, agent provocateur, and imperialist spy on both sides of the Bug for at least 2 decades. What is more, who would have thought that the Soviet deputies would not only be listening and putting questions to Michnik, but that they would also submit a draft resolution calling for cooperation with the constructive Polish political opposition.

It is all true, and who could have imagined that following what at one time appeared to be the revolutionary 27th CPSU Congress, there would also be the 19th party conference, the actual Congress of People's Deputies, and that Poland would see the 10th Central Committee plenum, the roundtable, the elections, and the legal operation of opposition structures. Who could have foreseen that no one would be charging that the opposition wants to seize power, but that, on the contrary, politicians would be wondering about how the opposition could be brought into a "grand coalition"? A lot of people must be thinking that the world has been turned upside down, but this must surely only apply to those who cannot free themselves from the traditions of the "History of the Communist Party of the Soviet Union (Bolshevik): A Short Course."

Adam Michnik's arrival in Moscow came as a surprise to everyone, including the Western correspondents, who generally have better contacts with the opposition and know what is going to happen in advance. However, on this occasion the telephones in PAP's Moscow bureau just would not stop ringing. For a day and a half, Western and Soviet journalists kept phoning us and asking the same questions: What is happening about Michnik? Is it true that he is coming? Who invited him? Where is he staying, and how can you get hold of him? There was no information. It was only later that we could establish for certain that Michnik had been invited to attend an international conference organized jointly by the Soviet Institute of International Relations, the American University of San Diego, and the British University of Sussex. The title of the conference was: "East-West: Global Security and Arms Control." This information did not change things much, because Michnik seldom appeared at the conference, it was difficult to gain entry to the conference, and for various reasons Michnik preferred to stay at the home of a friend, a correspondent, than in a hotel....

Michnik was invited to the seminar by the American organizers (Wojciech Lamentowicz was also invited, and the Soviet side invited Andrzej Werblan, Zofia Menat, and Marian Dobrosielski). This was Michnik's second attempt to visit Moscow. It followed an unsuccessful attempt in the fall of last year when, at the invitation of the USSR Union of Film-Makers, he was to accompany A. Wajda to a retrospective of the Polish director's films. Rumor has it that the trip did not come off through no fault of the hosts.... On this occasion, someone could say that having been invited by the Americans, Michnik in a sense got to Moscow through a back door. However, the fact is that if the Soviet organizers had not wanted him to come, they simply would not have agreed to it, as happened in other cases, and there would not have been any of the numerous unofficial and official meetings that, when asked, Adam Michnik himself said "involved highly placed persons."

So Michnik—opposition activist, Sejm deputy, and editor-in-chief of GAZETA WYBORCZA—turned up in Moscow unexpectedly, surprising a lot of people, and immediately

gave a news conference. The first part of the conference was a meeting for journalists with Andrzej Wajda—chairman of the 17th International Film Festival Jury—which initiated a whole cycle of news conferences that were rather more political than cultural under the title "45 Questions in 45 Minutes." Wajda spoke at length about the situation in Poland, "Solidarity," and the new arrangement of forces that is developing in our country. After Michnik arrived in the hall straight from the airport and the first party of the news conference was drawing to a close, Wajda immediately gave the floor to Michnik.

A. Michnik began his first meeting in the Soviet Union by saying: "Like every Pole of my generation, I finished school without knowing a word of Russian. I learned the language thanks to dissidents and the first book that I read in Russian was the 'Gulag Archipelago.'"

This first statement sounded like a declaration, and then the rapid-fire questioning started. The questions that were asked came up at all the subsequent news conferences in one form or another. He was asked about what "Solidarity" experiences he would recommend the Soviet Union, about why he had not come to Moscow in the fall, about "Solidarity's" political identity, and about the Bush visit to Poland.

Michnik's reply was: "Every people has its own path to Stalinism and its own path leading out of Stalinism. 'Solidarity' is such a unique phenomenon that we often have a hard time defining it ourselves. It is a movement of workers and intellectuals, Catholics and laymen, right and left, conservatives and liberals; a movement of all these people at the same time. This may seem absurd, but under Polish conditions, it turned out to be the only way of dealing with the totalitarian system...."

Why did he not go to Moscow in the fall? "Six months ago I was still just a 'common criminal,' and today I am a deputy and editor-in-chief of GAZETA WYBORCZA."

Asked about the Bush visit, he said: "I had lunch with him today. The company was interesting. General Jaruzelski, Premier Rakowski, General Kiszczak, Geremek, the chairman of the 'Solidarity' Parliamentary Club, and a few former prison inmates were all there. Everyone was waiting for Bush to pull out the pocketbook and the dollars. I could not wait long enough, because I had to get the Moscow flight. There was unity among the communists and the nonparty people in waiting for the dollars."

Finally, he was asked about prospects for the future. Michnik argued that "our chance lies in the division of power. Goals have to be formulated in a way that makes at least part of the apparatus interested in change. If the whole apparatus thinks that the people are going to set up a guillotine, then it is going to defend itself, even with the help of a guillotine. You have to organize yourself outside the power system, and simultaneously pursue a flexible policy based on compromise."

The shortest answer he gave was in response to a question about who would be the president of Poland. He said: "I am not going to be drawn on that. The next question, please."

His replies were quite caustic for the beginning of the Moscow visit, but with "perestroyka" and the live coverage of the heated debates at the Congress of People's Deputies, they hardly shocked anyone. Besides, I consider this a positive and healthy sign in every respect.

He only spoke once at the international conference which made the Moscow trip possible, delivering a paper on Soviet restructuring and its impact on the situation in Eastern and central Europe. The basic points could be put as follows: "Perestroyka" and the changes that have been taking place in the USSR over the last 3 years have had an important and positive impact on the development of the situation in Poland. Thanks to this, the problem of de-Stalinization and the institution of essential reforms has been raised once again. It has paved the way to the resolution of two issues: first, the de-Stalinization of relations within Poland, which has facilitated the transition from martial law to the roundtable, and second, it has made the de-Stalinization of relations between states of Eastern and central Europe possible. Michnik concluded that in these terms, perestroyka has had an exclusively positive impact on the development of the situation in Poland....

After that, there were only official and unofficial meetings. At a film center, he met a group of deputies, which included Boris Yeltsin, Telman Gdlyan, and Yegor Yakovlev, the editor-in-chief of MOSKOVSKIYE NOVOSTI, as well as members of the "Memorial" Association, which is campaigning for a through examination of Stalinist crimes and remembrance for the victims.

There were also many young activists belonging to various kinds of unofficial groups at this last meeting, groups such as the Moscow Popular Front and the Russian Popular Front, for whom Michnik is a nestor and veteran, if not a master whose name is shrouded in legend.

Apart from Michnik, A. Wajda and Leon Bojko of GAZETA WYBORCZA attended the meeting, which took place in the lecture hall of the Moscow Institute of Historical Archives, which is headed by the outspoken Yuri Afansyev, who is also well-known in Poland. There was a large portrait of Lenin hanging on the wall behind the presidium, and there were "Solidarity" election campaign posters and pamphlets displayed on the wall below the portrait, as well as a slogan in both Russian and Polish that read "Together We Will Triumph." I have to admit that this prompted a very varied reaction....

The questioning started once again. Why do you compare the current situation in the Soviet Union to the one that existed in April 1917? If what you say is true, then who could be the new Lenin?

Michnik replied: "It is a similar situation, because, and this was also the case then, there is a lot of press freedom and, at the same time, a severe conflict is developing. I hope that the conflict, in which one side may be the post-Stalinist apparatus, will not lead to the use of force. Democracy is the child of evolution, whereas revolution gives birth to dictatorship."

Someone then asked about the "Solidarity" program. Michnik explained that "when Rakowski offered us four ministerial posts, we turned the offer down, because we feared that this was to be a substitute for the legalization of 'Solidarity.' Then there were the roundtable talks and the elections, which completely changed the situation. I do not think that we should enter the government to perform a decorative function, but the time will come when 'Solidarity' should form a government in agreement with party reformers."

The "Solidarity" activist went on to say: "No one has an economic program for breaking out of the crisis yet: Neither you nor we. We have to abandon this economic system of planned absurdity, and begin to apply market mechanisms, while realizing that this step may even entail a certain price, including a drop in 'Solidarity's' standing. However, this kind of policy can only be pursued by a government that has a social mandate."

Later, Michnik added that "it is right to say that Solidarity's rise is owed to the social groups that might be hit worst by market-oriented reforms, but we have no choice, and we cannot hold back according to the principle of the worse, the better. You can also ask who is really defending the workers' interests: Walesa, who talks about the market, or those who resort to populist demagogy for personal gain...."

That is what the entire meeting was like. Questions were asked about the similarities between the processes taking place in Poland and Hungary, the relationship between "Solidarity" and the church, what the old so-called partisan group is doing, the crisis in socialism, the Father Popieluszko affair, "Solidarity's" attitude toward "Sajudis" and "Fighting Solidarity."

Of course, one of the most frequently asked questions was how could "Solidarity" infect the Soviet Union? This question was answered in turn by Bojko, Wajda, and Michnik.

Bojko: "We have enough of our own viruses, and we do not want to pass them on to anyone else. We certainly do not want to force our recipes onto anyone else, because we do not know whether we are going to succeed ourselves.

Wajda: "The 'Solidarity' virus is not infectious, because there is something peculiarly Polish about it."

Michnik: "The 'Solidarity' virus is called 'freedom' and it is entirely up to us whether we manage to feel free, regardless of whether someone else likes this or not. One thing is certain—democratic changes give all of us hope."

Finally, the most spectacular meeting was the one that took place in the rooms of the USSR Supreme Soviet within a stone's throw of the Kremlin. Michnik was invited to the meeting by the so-called Interregional Deputies' Group, which represents a decidedly radical perestroyka current and often describes itself as an opposition. The meeting was attended by faces that I knew from the heated debates of the Congress of People's Deputies, which according to Yuri Afanasyev, can be divided into the "aggressively-obedient majority" and the "democratic minority." Those attending the meeting belonged to that latter group. They included Gavril Popov, Telman Gdlyan, Nikolay Ivanov, and Galina Starobajtan, whose acquaintance I made at the "Memorial" meeting the day before, as well as Aleksandr Obolevskiy, Ilya Zaslavskiy, and many others.

On this occasion fewer questions were addressed to Michnik, who appeared as a representative of the "Solidarity" Parliamentary Club, but the proposal that a meeting should be held between Polish deputies and Soviet people's deputies was received with interest. Besides, this was reflected in the draft resolution, which was unanimously passed and, it was decided, would be recommended for adoption at a meeting of the entire interregional group of deputies, which is to take place at the end of this month.

It is worth quoting the resolution in its entirety, because it is undoubtedly the first document of its kind and it attests to the changes that are taking place in our countries:

"The group of people's deputies that constitute the Interregional Group of Deputies believe that it is necessary to establish cooperation with the Polish constructive political opposition. Common goals and tasks pertaining to the democratization of political and social structures in our countries call for the greatest possible degree of coordination between the Interregional Group of USSR People's Deputies and the 'Solidarity' Deputies Club with respect to issues of common interest."

Even if the draft resolution is rejected at a general meeting of the group of deputies, the fact that it was adopted at a working meeting is already very significant.

I had an opportunity to put a few questions to A. Michnik during the interval between the first and second meetings.

[Popowski] You are in Moscow for the first time, and you have had a chance to view "perestroyka" close-up. What would you like your visit to produce?

[Michnik] First-hand experience has, of course, made me make a few corrections to everything that I knew about the Soviet Union on the basis of a careful reading of the Soviet press. However, I have to say that they are not of a fundamental kind. I would like my visit to Moscow to change something about relations between the movement with which I identify myself, that is, "Solidarity" and all those people who are striving for democratic reorganization in the Soviet Union.

[Popowski] In your opinion, has there been a change in how Soviet public opinion views "Solidarity"? Have you noticed something like this during your visit?

[Michnik] Of course; I think that the basic problem is not one of ill will, but of ignorance. Ill will was only present in the reports produced by propagandists, who deliberately misrepresent reality. You still encounter traces of this in articles and during the course of conversation. However, the prevailing attitude is one of enormous interest, and it is sympathetic interest. I think that the Soviet political elites are in the process of reappraising all their dogmas, including the ones about "Solidarity." It is a process, and nothing is going to be changed by a one-shot Central Committee resolution or even a Supreme Soviet resolution. Of course, being a Pole, I am impatient and I would like the process to proceed more rapidly.

[Popowski] You adopted the "Message to the Workers of Eastern Europe" at the "Solidarity" congress. During your meetings here you are often asked what aspects of "Solidarity" experience you would recommend the Soviet Union, but you seem to avoid giving an answer.

[Michnik] That is not true; I have not tried to avoid giving an answer. I fully support everything that was said in the "message." It was nothing, but a great cry for democratic restructuring. Going about Moscow and talking to people, even very highly placed people, I get the impression that we were right then, but that the message may have been misinterpreted at the time. There was not the slightest hint of any antipathy toward the Russians or toward any other people in it. However, "Solidarity's" concrete experiences as a trade union are specifically Polish experiences. The Russians have their own, entirely different experiences. One more thing; all of us idealize things that we like, but are some distance away from. So, I know Russians who idealize "Solidarity," and I also know Poles who do the same thing with regard to perestroyka. A year ago, I myself often wondered how the "perestroyka virus" could be brought to Poland.

[Popowski] You talked about this at the conference....

[Michnik] Yes, and I will say it again: Restructuring has had an unequivocally positive impact on Poland. The process of democratic restructuring in the USSR does not entail any negative effects for Poland. The fact that the subject of de-Stalinization and the same analysis of the crisis in the whole bloc have appeared officially in the columns of our papers is due to the Soviet Union. In this sense, the changes taking place in the USSR have encouraged party-state elites to talk about important issues. In addition, they have opened up a new opportunity for Polish democratic forces and a new situation has emerged....

[Popowski] Today it is being said that the events of August 1980 stood no chance of success under the Brezhnev team and that indirectly "perestroyka" has given "Solidarity" a second chance....

[Michnik] Of course, you can say that, but then you can also say that "Solidarity" made party elites realize that perestroyka was essential. In this sense, it is a dialectical process. If it were not for perestroyka, then "Solidarity" might not be what it is today, a legal trade union. However, were it not for "Solidarity" in 1980, then we might not have the perestroyka that we see around us today—a perestroyka that possesses a broad reformist impetus and imagination....

[Popowski] I would like to put a question to you that many people are asking today: Is Walesa going to come to Moscow?

[Michnik] I think that it would be a very good thing if he were to visit Moscow. I, for my part, will encourage him to make the trip. The reasons for this are: First, it would be interesting; second, it is important; third, it could change something for the better. However, it takes two to tango for a visit of this kind. I think that correct decisions are going to be made here. To be frank, I am being asked this question in Moscow quite often now—the questions and hopes are being voiced by all those who wish restructuring and the cause of democratic perestroyka in our part of the world well....

That is as much as Michnik had to say. At the time of writing, the Soviet press only mentioned the visit once. It was reported in the trade union daily TRUD in an article on the Wajda news conference. The words "Solidarity," the Polish constructive political opposition, the round-table, and "grand coalition" have been appearing in Soviet magazines and newspapers much more often nowadays. However, in contrast to the past, they are no longer accompanied by the obligatory adjectives expressing an ideological judgment. In this respect, the principle of realism prevails. Besides, many of the problems for which "Solidarity" was criticized at one time have to be dealt with here now and the old "cliche-ridden" language that was characteristic for the period of stagnation is no longer adequate for describing a new reality that is changing at a rate that makes one's head spin.

Ceausescu Grants Interview to NEWSWEEK

AU3107174789 Bucharest AGERPRES in English 1629 GMT 31 Jul 89

["President Nicolae Ceausescu Granted an Interview for the American Weekly 'NEWSWEEK'"—AGERPRES headline]

[Text] Bucharest AGERPRES, 31/7/1989—On Monday, 31 July, the president of the Socialist Republic of Romania, Nicolae Ceausescu, received Kenneth Auchincloss, managing editor of the American weekly "NEWSWEEK," and Michael Meyer, that weekly's correspondent for Europe.

On the occasion, President Nicolae Ceausescu granted an interview for the weekly "NEWSWEEK."

Ceausescu's Message to Mubarak on Election

AU3107141489 Bucharest SCINTEIA in Romanian 29 Jul 89 p 5

[Cable from President Nicolae Ceausescu to Egyptian President Husni Mubarak on election as OAU chairman]

[Text] To Mr Husni Mubarak, president of the Arab Republic of Egypt and acting OAU chairman, Cairo

On your election as OAU chairman, I take particular pleasure in extending sincere congratulations, together with best wishes for health and happiness, and complete success in the high mission entrusted to you. On this occasion, I also want to emphasize that socialist Romania and the Romanian people highly value the consistent struggle waged by the OAU to eliminate colonialism, neocolonialism, and the policy of racial discrimination and apartheid, as well as its contribution to achieving the African peoples' aspirations for freedom and the democratic solving of the serious problems facing humanity in the peoples' interests.

I also want to express the conviction that the relations of friendship and solidarity established between the Socialist Republic of Romania and the OAU member states will expand more and more in the interest of the Romanian people and the African peoples, and of the cause of peace, progress, and international understanding.

I wish the OAU countries increasingly greater successes on their road to socioeconomic progress, in strengthening their national independence and solidarity, and in achieving the legitimate aspirations for a prosperous, free, and dignified life.

Nicolae Ceausescu, president of the Socialist Republic of Romania

Media on 24th Anniversary of Ninth RCP Congress

AU3107180189

[Editorial Report] Romanian media, particularly the press, give extensive coverage to the 24th anniversary of the Ninth Congress of the Romanian Communist Party (RCP), and to Nicolae Ceausescu's election as RCP secretary general on 24 July 1965.

The focus on Ceausescu and this anniversary begins with Bucharest SCINTEIA and ROMANIA LIBERA in Romanian of 15 July allocating an entire inside page, some 5,000 words, to reports on "great socialist achievements attained in the Nicolae Ceausescu era." As 19 July drew closer, the dailies devoted increasing space to this event, eventually allotting 1-3 pages of each issue to such subjects during the 19-24 July 1989 period.

Articles ranging between 700 and 2,500 words deal with topics such as: Romania's policy of "intensive industrialization and modernization"; the "outstanding significance" of the "1965 great forum of Communists," which inaugurated "the Nicolae Ceausescu era"; "independence, the Romanian people's supreme goal"; Ceausescu's "innovative" concept on "increasing the party's leading role in building socialist society"; Ceausescu's "brilliant theoretical works," which have "enriched scientific socialism"; and Romania's "principled and constructive" foreign policy of "peace and cooperation with all nations." All articles describe the "Nicolae Ceausescu era" as the most "fruitful" and "brilliant" in the nation's history, an era "characterized by the most profound revolutionary changes."

Bucharest SCINTEIA and ROMANIA LIBERA on 19 July, the date of the 24th anniversary of the opening of the Ninth RCP Congress, devote some 18,000 and 15,000 words respectively to this event. In addition, both dailies publish several large-format pictures—including one picture in SCINTEIA of Ceausescu accompanied by his wife Elena, and two such pictures in ROMANIA LIBERA—depicting various aspects of socialist construction. Both dailies also carry several poems paying homage to the "Great Founder of Modern Romania" and the "Great Man of Freedom."

Bucharest SCINTEIA on 23 July and ROMANIA LIBERA on 24 July, the day of the 24th anniversary of Ceausescu's election as party secretary general (SCINTEIA does not appear on a Monday) issue a festive edition, with the "Nicolae Ceausescu Era" printed in red letters on the front pages of both. Each paper devotes some 4 and ½ pages, that is, about 25,000 words, to celebrations, messages of homage, editorials, and articles on this occasion. Both dailies front-page the same 8-by-5 inch heavily retouched portrait of Ceausescu at a much younger age, and carry additional pictures in the inner pages. There are also short poems eulogizing the "Leader," Great Hero," and "Father," who is leading the nation "in flight, toward Communism." SCINTEIA describes Ceausescu's election "to the helm of the party"

24 years ago as a "historic event and basic option" which has "inaugurated a glorious period of great revolutionary ideals and socialist achievements," while ROMANIA LIBERA terms it "an event of outstanding significance in the life of the party and the whole nation." Above the front-paged Ceausescu portrait, SCINTEIA specifies in block print that Ceausescu was elected as party leader through the "consensus and will of the whole party and people."

In addition to the above press coverage, the Bucharest weekly LUMEA in Romanian No 29 of 20 July and No. 30 of 27 July carries 3-4 pages devoted to this anniversary, praising the "exceptional personality" of the "great leader" and emphasizing the "complete unity of the entire nation around the party and its secretary general." The Ninth RCP Congress is described as a "historic turning point" which inaugurated the "most glorious period of development and prosperity for the Romanian people."

The Romanian electronic media have also given extensive coverage to the anniversary. Beginning with 15 July, Bucharest AGERPRES in English carries one or two 500-600-word items a day on various aspects of Romania's "impetuous socioeconomic development" in the past 24 years, including the "urbanization process," its "original democratic system," and its "constructive foreign policy initiatives."

Bucharest Domestic Service in Romanian on 20 through 24 July led several of its main newscasts with reports on cables sent from all over the country to Nicolae Ceausescu, congratulating him on the 24th anniversary of the Ninth RCP Congress that marked his election as party leader, thus "opening up the era of the most fruitful achievements in the fatherland's history." In its 1900 GMT newscast on 24 July, Bucharest radio also carries a 30-minute report on a speech made by Ceausescu at a meeting with a Constanta County RCP delegation at the Black Sea resort of Neptun on 24 July, marking the 24th anniversary of the Ninth RCP Congress.

Leaders' Public Appearances for 22-28 Jul
AU2907171389

[Editorial Report] Romanian media report the following public appearances of Romanian leaders during the 22-28 July period (source of each report given in parentheses):

President Nicolae Ceausescu and Elena Ceausescu paid a working visit to Constanta shipyards on 26 July (Bucharest AGERPRES in English 0845 GMT 26 Jul 89); on 28 July, they visited a farming unit in Calarasi County. (Bucharest AGERPRES in English 1638 GMT 28 Jul 89)

President Nicolae Ceausescu received, addressed a delegation of Constanta County Party Committee, at Neptun resort on 24 July (Bucharest AGERPRES in English 1853 GMT 24 Jul 89); the same day, Ceausescu received, addressed a Brazilian parliamentary delegation led by Luiz Henrique de Silveira, first secretary of the Brazilian Chamber of Deputies, at Neptun resort (Bucharest AGERPRES in English 0926 GMT 25 Jul 89); on 25 July, at Neptun resort, President Nicolae Ceausescu received, gave interview to the chief editor of Iraqi daily AL-'IRAQ (Bucharest AGERPRES in English 1739 GMT 25 Jul 89); on 26 July, at Neptun resort, Ceausescu received, gave an interview to special envoy of Turkish newspaper TERCUMAN (Bucharest AGERPRES in English 1709 GMT 26 Jul 89); on 28 July, at Snagov resort, President Nicolae Ceausescu received outgoing Israeli Ambassador Yosef Govrin. (Bucharest AGERPRES in English 1640 GMT 28 Jul 89)

Ion Coman, member of the Political Executive Committee [PEC] and secretary of the Central Committee of the Romanian Communist Party [RCP] presented RCP's message to Mozambique's Frelimo Party Congress, in Maputo on 28 July. (Bucharest AGERPRES in English 1716 GMT 28 Jul 89)

Ion Dinca, PEC member and first deputy prime minister of the government, attended an Egyptian Embassy reception on Egypt's National Day, in Bucharest on 24 July (Bucharest SCINTEIA in Romanian 25 Jul 89 p 5); on 27 July, he attended a DPRK embassy film gala on the 36th anniversary of the Korean war for the liberation of the fatherland. (Bucharest AGERPRES in English 1848 GMT 27 Jul 89)

Ion Stoian, candidate PEC member and secretary of the RCP Central Committee, presented RCP's message to the Congolese Labor Party Congress, in Brazzaville on 28 July. (Bucharest AGERPRES in English 1700 GMT 28 Jul 89)

Further on LCY Central Committee Plenum Session

2d Day of Proceedings

LD3107223789 Belgrade TANJUG Domestic Service in Serbo-Croatian 0745 GMT 31 Jul 89

[Excerpts] Belgrade, 31 Jul (TANJUG)—The 2d day of the work of the 25th League of Communists of Yugoslavia [LCY] Central Committee session began today with the continuation of the debate on the activities of the LCY in the development of interethnic relations. Twenty-five Central Committee members participated in yesterday's all day polemical debate, while about 20 made retorts.

This large number of speakers, as well as the announcement that a further 35 members of the highest party forum would take the floor today, has created doubt about whether the session could end today, as planned. Therefore, before the resumption of the debate, Stefan Korosec, who was presiding, proposed that the written speeches be appended, and that two members from each of the republican and provincial League of Communists [LC] committees speak.

He mentioned that this is the proposal of the LCY Central Committee Presidium, which is motivated by announcements "by one section" of the Central Committee members that this evening they will have to return home, because tomorrow they have duties that cannot be postponed. Members of the LCY Central Committee will vote on the presidium's proposal after consultations during the break.

The first participant in today's debate was Veljko Galic who assessed that the consensus economy, polycentric statism, and the favoring of national above class issues, have had an impact on the drastic deterioration of interethnic relations. [passage omitted]

Speaking about the state of interethnic relations in Bosnia-Hercegovina, Galic said that this republic is Serbian, Croatian, and Muslim and is not dominated by any single group. This cohabitation is possible despite all the difficulties, so any form of paternalism either against the Serbs or against the Croats in Bosnia-Hercegovina, or any aspirations towards the creation of a Muslim state, are unacceptable.

Single nation gatherings and self organization outside the institutions of the system, Galic said, "are not needed." He stressed at the end that the attacks on the national identity of the Muslim population cannot be tolerated. [passage omitted]

Can it be expected, Blazeva asked, that in some neighboring countries a halt is called to the negation of the identity of the Macedonian nation, when in our country there are those who assert that it is an artificial creation? Blazeva stated that the consistent implementation of the economic reforms is one of the basic preconditions for the long-term stabilization of interethnic relations.

Bozidar Debenjak observed that in light of the topic of the session, it would be normal for the discussion to be held in all the languages of the common homeland. Despite the endeavors and efforts of the translators, Debenjak said, there are still obstacles to communication, because in the Central Committee, there are so few people capable of understanding speeches in Macedonian and Slovene without the aid of translators.

However, he added, the slogan from the meetings which, in the view of some, ought to represent the pinnacle of democracy—"Throw out the headphones from the assembly"—can be understood, in view of the context, only in the esense that the majority language—Serbo-Croatian—should at the same time also be the official language of the Assembly and also of the LC. Whoever doubted this was brought back to earth by the demand for one official language for the LC, which was also expressed at the meeting. The organizers of the meetings have been silent about these proposals, Debenjak said.

Discussing the topic of the session, Debenjak observed that nationalist mythologies are today supporting alterations to Yugoslavia, the creation of hierarchies among our nations in terms of ones which are more or less Yugoslav, and ideological one-upmanship over Europe. To this should be added, Debenjak said, the fact that unjustified distrust of the center has come about since, instead of great spiritual advancements, predominantly ideas about the Yugoslav average have been generated in the center. We always succeed in achieving poor results on the average.

Regarding federalism, we should not seek a solution beneath that of today's Europe. It is making common standards and is unifying technology, and it is unifying programs in the schools, but it has not occurred to anyone to come up with a common nucleus for national subjects in European schools.

At a time of nationalist tension, the epicenter of which is the undermining of the bases of our community, I often recall, Debenjak stressed, the great words of Latinka Perovic [Serbian leader purged by Tito in early 1970's]: "The party should never mount nationalism. Whenever it attempts to do so, things will always end up with nationalism mounting the party." The leadership to which she belonged, Debenjak added, never, as far as I know, had it in mind to place its nation above others and proclaim it the savior of Yugoslavia. Perhaps these words are a good reason and stimulus for this Central Committee to open up the question of its rehabilitation as soon as possible, Bozidar Debenjak said. [passage omitted]

Dragosavac noted that despite all those historic disputes, the CPY [Communist Party of Yugoslavia] and then the LCY succeeded in reconciling our nations even in those

times when these things were not written in the constitution. To this effect, he pointed out that no constitution can solve problems unless leaderships carry out policies on which they agree. "A national republican state and statehood," he said, "is becoming the preoccupation of our daily politics, which tends, by its inherent logic, towards the biggest nation in a republic, and following this line, in the SFRY as well." If this logic were followed, Dragosavac noted, then almost a third of all the nations and nationalities in our country would appear without their national state. As opposed to this, we must resolve national problems in our country in a principled way.

The LCY program and the Constitution have enabled all our nations and nationalities to assume equal status and this is why, Dragosavac said, it is the program and the constitution that are often attacked. We, however, "cannot shut our eyes to the fact that the LC is losing its socialist and humanist liberating features" and that the prime principle is turning out to be "raising quarrels among our nations and nationalities." He illustrated this by pointing to the aggravated relations between our peoples. He said: "The relations between the Serbs and the Albanians have long been dramatic, those between the Slovenes and the Serbs are becoming increasingly dramatic, the leaderships of Serbs and Macedonians should not shut their eyes." In his opinion, this was to a greater part motivated by the recent celebration of the Kosovo battle and the speeches at those gatherings. Therefore, the communists are greatly responsible for this.

Dragosavac stressed that Serbian nationalism has long been prominent but that this should not be linked to the people. To this effect, he asked what is the meaning of taking the Church to the stage, particularly regarding the celebration of the Kosovo battle. He believes that this hampers the existing relations between the Church and the state. Dragosavac also maintains that one should not talk about one nation as being the most numerous one. The Serbs are the most numerous and this, as he said, cannot be disputed. But one cannot say that they have more rights to Yugoslavia than the others or, he added citing Slobodan Milosevic's words from his interview to LE MONDE, that Serbia, as the largest republic, is able to get along more easily without Yugoslavia. Yugoslavia is needed, Dragosavac reiterated, by all, by all our nations and all our republics. For we do not use power against each other.

Dragosavac pointed once again to the responsibility of all and said that it cannot be switched from some people to others. Therefore he proposed that the Central Committee charge its Presidium with the task of dissociating its leaderships from those who tear Yugoslavia apart. The opinions which the leaderships have of each other should be settled in the Presidium rather than through their quarrels via journalists. Dusan Dragosavac also maintains that the LCY Central Committee Presidium should analyze the current state of the dispute between the Serbs and the Croats. Unless this is done, the problem may get worse.

Dragosavac also proposed that the LCY Central Committee Presidium should publically reveal who in the Central Committee represents the anti-Serbian, anti-Croat, and anti-Slovene coalition. Lastly, he proposed that the LCY Central Committee Presidium should work to eliminate the isolation, contribute to the practice of pardoning, and consider the possibility of adopting a decision on a state of emergency in the LCY.

The first to react to the Dusan Dragosavac's words was Dobrivoje Vidic, who believed that Dragosavac's "regret" that on "our flag there is no Tucovic," was inappropriate. Vidic let it be known that this flag is "our flag of brotherhood and unity, and in no way a flag of enslavement." He also was of the opinion that invoking Tucovic in the contemporary interethnic relations has no point today because the time is different and relations are completely different. He let it be known that only people of evil intent can see in Serbia a hegemonist and one who enslaves others. [passage omitted]

Petar Skundric understood Dragosavac's speech as a call to Communists and the people to split. In his opinion, Dragosavac cannot be forgiven for this. He also recalled that what is at issue in Kosovo is not a conflict between the Serbian and Albanian peoples, but a conflict with Albanian separatists and nationalists. This approach, whereby the Serbian nation has clashed with everyone, is imputation. He also pointed out that the disputes came about precisely because of the attitude toward the events in Kosovo and toward the policy of Serbia after the eighth session of the Serbian LC Central Committee. In his view, the essence lies in regretful nostalgia for times when it was possible to determine who would lead in each republic. [passage omitted]

In the Serbian LC, we are firm in our orientation that the struggle for national equality, as well as the struggle against nationalism, cannot be conducted in a declarative way and by rhetorical skills and auctioneering as to which nationalism is stronger and which has been provoked or is more dangerous. It must be conducted by the resolution of key economic, political, and moral problems of society, and at the same time by opposition to any appearance of nationalism, wherever it crops up, Milomir Minic said.

Speaking of the cause of the negative processes in society, Minic observed that some solutions in the political system generated by the 1974 Constitution were the source that smoothed the way for the strengthening of national factors as the most important in the political organization of society.

Enflamed and aggressive national passions are not produced by the nation on its own. The seed of national dissension has not been sent to us by enemies abroad, although they contribute to this. It is the consequence and culmination of the conflict between bureaucratic and self-managing affairs, the failure to emphasize class at the expense of republican

and provincial interests, and the maintenance of an outmoded bureaucratic and etatist model of society. Hence, the LC is faced with the task of responding, with a clear ideopolitical platform, to the changes in the political system, Minic stressed. [passage omitted]

We in Serbia are not closing our eyes to the phenomena of Serbian nationalism, Minic went on to say. We will oppose resolutely any phenomenon of Serbian nationalism, and we will oppose it both ideopolitically and legally. However, many comrades today do not have a clear attitude toward Serbia. In some environments in the country there is a persistent, distorted portrayal of the situation in Serbia and there is, under the guise of allegedly justified criticism, a mistaken interpretation of the policy of Serbia, its leadership and its highest-ranking leaders. This is also done by individual newspapers and weeklys, which call themselves "specialists on Serbian matters."

We profoundly advocate, Minic said at the end, a great democratization of the LCY, and we are against its liquidation as a united organization.

Vlajko Stojiljkovic reproached Dragosavac for his demand that the Presidium should ban discussions on the redistribution of income by assessing that such a ban is not in the domain of the LC nor is it in accordance with the commitment to a democratic debate.

Regarding Dragosavac's claim that there is no redistribution of income as ill-reasoned, Stojiljkovic put forward the impoverishment of agriculture and electricity production as proofs to the contrary.

Following Dragosavac's discussion, and as he stressed, those of the others who spoke yesterday and today, Stojiljkovic said: All of us can see that a great number of unprincipled and ill-reasoned discussions "are aimed at toppling Serbia's leadership."

The leadership of Serbia enjoys the full support of the Serbian LC membership and the people and working class so, as he stressed, all those who think that they can change this leadership from the outside are being misled. This ambition will long be the source of our misunderstandings, Stojiljkovic stated.

In Ahmet Hodzic's opinion, Dragosavac's demand for the LCY Central Committee Presidium to resolve the issue of the court trials in Bihac and Ljubljana is all the more surprising in light of the firm stand that the party should stop arbitrating. One Central Committtee member has demanded that the party should not get involved. Not only is this apolitical, but it is also anticonstitutional, Hodzic assessed.

He also inquired as to Dragosavac's right to ignore three judicial institutions, meaning the decision of the Federal Court on the Ljubljana four and the SFRY Presidency's decision which, as he said, rejected their appeal for pardon. Dragosavac appears unable to accept that constitutionality and legality are above the party. [passage omitted]

In Tomislav Radovic's opinion, Dragosavac's discussion steered the debate in the right direction. Everyone has the right to say what he thinks, and so has Dragosavac, but if we analyze his activity throughout his term, we would see that his words are opposed to the policy of the LCY and the Central Committee, Radovic maintained. [passage omitted]

If the work of today's plenum is anything to judge by, then it is impossible to envisage an end to the evil of nationalism, Radoje Kostadinovic believed. Hence, he bid farewell to his membership in the Central Committee Commission for Interethnic Relations. Resigning from this post, Kostadinovic stressed that he stands firm on his every word said in this commission's work and that he will continue to be engaged in the Central Committee in the same way he has been doing so far.

Addressing the replies that followed his discussion, Dusan Dragosavac stressed that he had never demanded that anybody's discussion be banned. Neither have I ever demanded that any leadership be changed, for this is a matter of the voters' will, he added.

By discussing pardons, I did not question the work of the courts, Dragosavac stressed, as he noted that the right to pardon also is assigned to the state leadership and that everyone can send in his suggestions to this effect.

Explaining why he mentioned Dimitrije Tucovic, Dragosavac stressed that Tucovic's work, and not only his work, can be a great inspiration. It is part of our history and the history of the working class movement. Hence, in Dragosavac's opinion, mentioning him cannot be regarded as inappropriate.

Dragosavac maintained that it was needless to answer Radovic's remarks on Dragosavac's involvement throughout his term. All my words have been recorded. Apart from this, it is my right to vote as I like. Nobody can impose this on me and one should not mistake a discussion before the LC stands have been adopted for the things that follow it, Dragosavac stressed. [passage omitted]

Nijaz Durakovic said that the polemics heard at the current session were leaving a bitter impression that had to be overcome through calm dialogue and tolerance. He noted that the already-fragile unity should not be further destroyed by mutual accusations and defensive attitudes.

I endorse the appeals to restore this Central Committee's dignity and to overcome differences. I am however, against undemcoratic conduct and attempts to analyze who, when, and in what way voted or debated. [passage omitted] I call for the harmonization of ideological criteria for assessing nationalism. Otherwise, all our future discussion will be futile. For how long are we to

employ different criteria for assessing one and the same phenomena or which nationalism is more dangerous, Durakovic said. For how long will the same people and the same conduct be recognised and praised in one part of the country, and condemned and isolated in the other. [passage omitted]

According to Durakovic, nationalism has permeated the LC and is often used by politicians as a trump card. This practice must be overcome by Communists in their own environments, above all and especially in light of the fact that "we often see nationalists in our own nation as being closer to us than Communists from the ranks of other nations." I am not saying that this is a prevalant phenomenon, but it is nevertheless a sad aspect of the LC reality. [passage omitted]

In conclusion, Durakovic delivered the message by the Bosnia-Hercegovina LC Central Committee asking the LCY Central Committee vigorously to condemn attacks on the personality and work of Josip Broz Tito. This should be incorporated into the conclusions of this plenary session. These attacks are not attacks on Tito's personality alone, but on the specific model of resolving national issues.

The state of national relations in the country continues to worsen. National intolerance and conflicts are becoming more serious. A real propaganda war is being waged against individual nations. for instance, some parts of the country have been attacking the Socialist Republic of Serbia, and the Serbian people and their leadership for 2 years now. These attacks have become more intense and frequent recently, especially after the celebration to mark the Kosovo anniversary at Gazi Mestan and Knin. They now assumed the proportions of an open, chauvinistic campaign, Nedeljko Sipovac said. As a result of this, all of us, and Yugoslavia in particular, stand to lose a great deal.

The question, Sipovac continued, is whether we are faced with the "usual" problems in interethnic relations, contradictions, and conflicts over national interests, or whether we are in the grip of a crisis in the existing constitutional concept, meaning in the model on which interethnic relations in Yugoslavia have been arranged. The LCY Central Committee must provide a clear answer to this question. [passage omitted]

Historical experience tells us that in this Yugoslav area, not one nationalism has disappeared from the public political scene because its demands were satisfied. Every concession merely increases the appetites of the nationalists and creates scope for them to write out new bills.

For the country to be able to pull itself out of the irrationality of the present national-chauvinist vortex, in Sipovac's view, a radical reconstruction must be carried out in the epicenter of the national earthquake. These are, above all, those constitutional and systemic solutions contained in the 1974 Constitution, in which in political life, instead of self-management, predominace has been acquired by decentralization to the level of the national republics or states. [passage omitted]

Our conclusions no longer mean anything to the working class of Yugoslavia. It is interested in when Communists will initiate action for a better life, said Boro Mikelic.

When discussing nationalism, according to Mikelic, we also must tackle other aspects of significance for emergence from the crisis. Of exceptional importance is the question of the extent to which we are prepared for reform and for the sacrifices it requires. Instead of agreements on common development, each criticism is translated into a national plan. In his opinion, the phenomenon of nationalism is only the formal expression of contradictions in the development of this or that environment. [passage omitted]

Mikelic proposed that the Central Committee form a commission that will put together an analysis of the causes for the poor state of relations among the republican leaderships. This, he said, also could be done by the LCY Central Committee Presidium. If something like the 1971 21st session must be held, then let it be held. [Reference to Tito's purging of the Croatian leadership]

At the end, Mikelic asked Sipovac to clarify his assertion that the attacks on the Socialist Republic of Serbia have escalated in the wake of Gazi Mestan and Knin into an open chauvinistic campaign. The Croatian LC Central Committee, Mikelic said, has made quite precise pronouncements concerning this celebration.

To this, Sipovac said that he was thinking of the articles in the mass media which have gone overboard and which should not be confused with the stances of leaderships. At the same time, he welcomed the determination of the Croatian leadership, outlined yesterday by Dmitrovic, to settle accounts with the exponents of nationalist phenomena. [passage omitted]

For a long time, interethnic relations in the SFRY have been showing signs of serious disruption. This refers primarily to Kosovo, but nationalist activities in all our environments without exception best illustrate this. Unfortunately, during a long period of self-dilusion, we closed eyes to such facts and were proud of our historical achievements, while there was a deficit of democracy, even talks on this theme bordered on courage, Milo Djukanovic said. [passage omitted]

The illusion that democracy is the cause of all evil ideally embraces the story of people's meetings as main destroyers of the Yugoslav interethnic idyll, Djukanovic stated, assessing that on the contrary, people's meetings of solidarity with Serbs and Montenegrins in Kosovo are the expression of a deep-seated patriotic and humane feeling of all those to whom Yugoslavia, and precisely the Yugoslavia of AVNOJ [Anti-Fascist Council of the National Liberation of Yugoslavia], lies on the heart.

Can the motif of such organizing be controversial? I hope not. Then what is wrong? It seems that this is the way of expressing a political mood. However, is there not a kind of cynism in objecting to the way of expressing one's attitude toward the sufferings of a people in one's own country after 8 years of obvious lack of readiness to overcome this problem with a Yugoslav action? [passage omitted]

A view for constituting a platform to overcome disrupted interethnic unity is blurred, according to Djukanovic, by a steady search for and by inventing symmetries inherent in dangers from nationalisms, both of the separatist and unitarist kind. Our state is falling apart, and we are seeing horrible centralism and unitarism. In 1974, the Constitution provided a legal and political basis for the isolation of the republics and provinces which blew up into separatism.

Enumerating the most obvious consequences, Djukanovic pointed out the repubics' very pronounced need to constantly prove their sovereignty and the nations' need to strengthen their national identities, assessing that this is nothing but a presentation of "a state immaturity and national puberty." Besides, there is continuous resistance to the idea of giving up some of the functions every efficient state should have, such as taxation, for example. What does it show? In our efforts toward a modern and efficient state, which of these seven states do we have in mind? Has Yugoslavia not become a bit of a burden to us, Djukanovic asked? [passage omitted]

Assessing that nationalism is most prominent in the events that have been taking place over the years in Kosovo, Djordje Bozovic saw the main cause in the shortcomings of subjective forces in the province and their failure to implement LCY policy. The task of priority importance for the LCY should be the realization of the conclusions so that the emigration of Serbs and Montenegrins from Kosovo is halted, he believed. The adoption of changes in the Serbian constitution and the already-initiated differentiation in Kosovo present a great step toward the normalization of the situation, Bozovic stressed, adding that the restoration of lost confidence, and of unity in the leadership of Yugoslavia and the LCY Central Committee were an essential prerequisite for dealing with problems in Kosovo. [passage omitted] Saying that nowadays we have a socialism that remains to be defined and has an uncertain future, Sinisa Batalo expressed concern over the present juncture at which the country finds itself, and over the lack of strength to deal with the community's problems on a united basis.

Nations and nationalities do not exist in Yugoslavia to question its legitimacy, but to fulfill their own interests, Batalo stressed, pointing out that numbers should not be to anybody's advantage, or a handicap either.

For many years, the most numerous nation in Yugoslavia was forced to be on the defensive, out of which its leadership could not, or did not wish to pull it. This threatened its national integrity, while the lack of statehood placed it on a less than equal footing, Batalo pointed out. Therefore, it is irrational to explain processes in Serbia by a national homogenization that threatens the interests of other nations. Does a leadership that frightens its own nation with an alleged danger from Serbian homogenization not wish precisely the homogenization of its own nation, he stressed?

We need a modern constitution that will direct us toward each other, a Constitution that focuses on the human being. We all are human beings first, and members of a nation and Communists second, Batalo stressed.

If, as members of this Central Committee, we were at least partially ready to express the will and mood of the people at large, I am certain that the result of this discussion would be positive and fruitful. I am starting from the conviction that a huge majority of people are very interested in a strong, united, and democratic Yugoslav federal community in which full freedom and equality of all nations and nationalities will be insured, Drago Sofranc stressed.

According to him, bureaucratic, nationalistic, separatist, and all other antisocialist forces dividing Yugoslav community are in the minority, but they are very aggressive.

If we are not ready for a struggle with them, the people will do it, Sofranc said. People are still counting on us, but I do not fully agree with claims that the fate of Yugoslavia lies precisely in our hands. Considering our disagreements, our lack of unity, perhaps these hands would be too weak, he said.

Many events last year showed us that people will not allow anybody to toy with their fate. People have carried out, and fully institutionally, that is to say, almost overnight, the thing that for decades bureaucratic leaderships were not prepared to do, Sofranc said.

According to him, a grave, primarily economic situation strongly exacerbates interethnic relations, which as he said, threaten to take on the form of most difficult conflicts. Therefore, he believed, dealing with the problems of interethnic relations was most closely connected with the dynamic of finding a way out of the economic crisis in which we find ourselves, because of the creation of the so-called national economies and the establishment of artificial borders within the country. Such a division of the economic space quickly led to an artificial division among the working class of Yugoslavia. For this reason, a united and open economic space presents an essential prerequisite for the more comprehensive development of the working class essence of national equality, Sofranc pointed out, adding that the genocide was being carried out in our back yard while we lectured the world about human rights and freedom. [passage omitted]

Giving a brief review of, as he put it, the true market integration, he assesed that for years we had neither the capital nor money markets, and that we are trying only now to set them up through reforms. Politics united us, not the economy. At the moment when political conflicts came into being, and without a true integrating factor, which could not exist, clashes had to happen, Dimitrovic believed.

The roots of national economies are in theses regarding economic independence of nations, that is, a nation's right to control the surplus of labor produced within the nation. The control is not absolute, but it is necessary to insure the material basis for national development. These theses were confirmed in this country a long time ago, he noted.

Controlling the managment of surplus labor based on the principle of distribution according to the result of work is implemented within national boundaries. Today we say that this is basically a factor of disunity. Are we giving up one of the most fundamental postulates of our relations, Dimitrovic asked.

A serious discussion presupposes a discussion about how to balance market processes with the demand that results of labor be distributed within the framework of the nation that produced them. This is an important question for the LC, and it should be removed from ideological discussions and taken up in a serious theoretical discussion, Dimitrovic stressed.

Vlajko Petkovic reacted to Dimitrovic's discussion and stressed that it was not true that we had not had a single market, but that it was completely fragmented by constitutional solutions from 1974. All comparative data regarding capital markets and cadres show this, he said, and went on to illustrate the claim. Slovenia, and then Serbia and Croatia have become the most isolated. There, 80 percent of goods are exchanged within republican boundries. Just 4 percent of capital circulated within Yugoslavia, and cadres were migrating between Yugoslavia and foreign countries much more than within the country, Petkovic stressed.

According to his assessment, all this resulted in a slow, irrational, and inefficient economic system, which is in contrast with events in Europe, which is becoming integrated with the view to technological, economic, and social enlargement, he noted.

According to Petkovic, our perspective is not in divisions, but in getting rid of restraints, so that politics will not dictate the course of economic processes. Consensus economics breeds consensus politics. A consequence of such politics is the inability of our top party and state forums to agree easily and swiftly about vital issues, Petkovic stressed.

On the basis of such economics and politics, consensus ideology was born. Our differing views on Kosovo, the issue of federalism, our future, socialism, are proof. A consensus truth has even appeared, so the truth is not established in comparison with reality, but through agreements and voting, Petkovic emphasized. [passage omitted]

Reviewing the discussion so far, Ivica Racan said that he expected more discussions on the proposed stances and concrete suggestions regarding their improvement and supplements. Still, everything said will be used during the drawing up of the final stances.

It is not incidental that many open issues about which we have different views were present during the preparations for the session, Racan went on, so final stances will not be formulated until they are resolved. Racan specified that the following are at stake: the issue of separatism, unitarism, hegemonism, paternalism, and ethnocentrism; disputes regarding the preparations for the plenum and assessment of the quality of the LC front in the struggle against nationalism.

Stanislav Stojanovic criticized the Presidium for the quality of the preparations for the plenum, Racan added. It would be fair to address this criticism concretely and say openly that the plenum was late because discussions on interethnic relations in republican and provincial LC organizations were late. One should not avoid criticism, but one should not criticize the Central Committee wihtout thinking first, as well as excuse easily those who gave their "contribution" to such work.

Racan especially reviewed yesterday's discussion by Dobrivoje Vidic, who commented on a part of Racan's introductory speech about "national reconcilitation," by saying that he "is astonished by Racan's assessment that the uprising day in Serbia was proclaimed on the occasion when a Serb shot at a Serb..."

Referring to this, Racan today explained that he cited an interpretation employed by nationalists. A nationalistic thesis is involved, and it is not my opinion. [passage omitted] The 2-day discussion has been useful and comprehensive, with a number of polemics that will contribute to the efforts to resolve some of the controversial issues. We also have witnessed debates that had nothing in common with concrete, critical, and well-argued dialogue. Some of the contributions have painted a negative picture of the discussion as a whole, said Milan Pnacevski, president of the LCY Central Committee Presidium, bringing to a close the 2-day discussion of interethnic relations. Of course, all this is an indication of the serious and complex nature of the problem, which calls for heightened responsibility of this Central Committee in tackling all these issues.

Having stressed that the discussion on interethnic relations and the LC's attitude and stands toward these issues, which are to be formualted in a document, were of exceptional importance for further implementing and enhancing equality, brotherhood, unity, and togetherness of our nations and nationalities, Pancevski went on to emphasize the LCY's great responsibility. The overall

stability and fate of our country, of each of our nations and nationalities—in other words, the fate of and prospects for socialism and self-management—depend to a large extent on these issues and on our attitude to them. For, without stable interethnic relations based on the principles of the AVNOJ and without efforts to further enhance and develop them, the frightening avalanche of nationalism, chauvinism, separatism, and all other forms of confrontation on the Yugoslav scene, will, objectively speaking, jeopardize the country's integrity, the existence of each of our nations and nationalities and their common life, as well as the fulfillment of the current and long-term interest of the working class throughout the country.

Since, according to Pancevski, interethnic relations have been exacerbated over a long period of time and various forms of nationalism and separatism have escalated, it is necessary for the LCY to give a profound answer to two basic questions:

First, whether and to what extent have interethnic relations in our country been established and dealt with in a principled and consistent way?

Second, what are the esential roots of such an exacerbation of interethnic relations and the flourishing of nationalism in our country?

Pointing out that the fundamental principles on which interethnic relations in Yugoslavia are based consistently express the Marxist understanding of a dealing with a national question as well as the original orientations of the Yugoslav Communist Party, that is the LCY before and during the war and the socialist revolution, as well as that the assessments of the AVNOJ principles are deeply imbedded in the awareness and orientations of the majority of people of all nations and nationalities, Pancevski stressed that the principles of full equality, brotherhood, unity, and the togetherness of all our nations and nationalities, their national affirmation and sovereignty, as well as the federal character of the Yugoslav community presented a foundation that could not be undermined, as well as the only possible prospect for the improvement of interethnic relations.

Taking into account the premises on which our concept of interethnic relations is based, it is clear that the basic causes of the present exacerbation of interethnic relations and a long-lasting escalation of nationalism cannot be sought in the basic principles of this concept.

We must look for the causes, Pancevski stressed, first in that which present the processes of putting into practice these principles in socioeconomic and political systems, and then in an obvious, made-up and distorted concept and interpretation of certain fundamental principles, whether these take place from nationalistic-separatist or bureaucratic-centralist positions. The causes also should be sought in the processes of creating and realizing a concrete policy in the area of interethnic relations and a struggle against nationalism.

At the same time, the basic and essential roots of these situations and manifestations also should be sought in conceptual and concrete failures and in distortions of overall socioeconomic, self-managing, and political relations. These systemic regulations and relations essentially are conditioned and fed on negative processes in interethnic relations.

Starting from this, the first group of causes includes the long-existence and retention of etatist-bureaucratic relations in overall relations, particularly in the economy. Also tied to the statist social relations is a concept of the concensus economy, as well as the factual autarchic attitude and practice of the self-managing socioeconomic and political system.

On the plane of socioeconomic relations, these factors directly influenced the creation of isolated national economies which assumed the status of the absolute diminishment of the value of a single Yugoslav market, halting the free flow of capital, commodities, and labor, thereby halting the process of self-managing integration. All this led to the fragmentation of republican and national interests, and under these conditions, one's nation was and is glorified as the basic, and even the only category through which all human, social, and national interests are examined and fulfilled.

This inevitably brought about situations and relations in which national interests conceived in such a way are fulfilled, above all, through state, and primarily through one's own national state, through strenghtening the national bureaucracy, through one's own isolation and confrontations bases on etatistic-bureaucratic interests, and all this with the aim of regulating, on the basis of social and property relations, the conditions for conducting economic activity and the aquisition and distribution of the resulting income. It is quite obvious and beyond doubt that these processes and relations influenced very directly and negatively the conception, implementation, and development of the basic principles on which the concept of interethnic relations were grounded.

Instead of the principles of national affirmation, sovereignty, equality, togetherness, and instead of the federal system being implemented, affirmed, and further deepened on the basis of the development of socialist self-management, working class interests, and the development of democracy, a state governed by law and an economic model that would stimulate and insure the dynamic growth of society's production forces and material wealth, these principles objectively assumed etatistic and fractionalistic content, either through the strenghtening of nationalism, separatism, chauvinism, and the like, or through a bureaucratic, centralistic, and unitaristic interpretation of our fundamental orientations regarding interethnic relations. Pancevski stressed: The LCY must be aware of the fact

that the main roots and causes of worsening interethnic relations and growing nationalism, and even of open separatist and counterrevolutionary behavior, are to be found primarily in some of the systemic solutions and in the country's socioeconomic and political system. Present relations in the socioeconomic and political system are the basis for and the cause behind the overall social crisis which, for its part, objectively speaking, exacerbates and multiplies negative processes and phenomena in interethnic relations.

The sole option left to the LCY, which at the same time is a revolutionary reflection of its position and role in society, is even more vigorous efforts to implement our commitment to the three reforms. In other words, it must work toward insuring that the reforms in the economic and political system and the transformation of the LCY are conducive to even greater promotion of the equality, brotherhood, unity, and togetherness of our nations and nationalities.

Discussing another group of issues concerning deviations from the fundamental principles in interethnic relations, Pancevski stressed that these distortions of the nature of our concept of interethnic relations were advanced as a way of further enhancing and improving our basic principles, despite the fact that in practice and reality they served to negate and distort, or even to destroy the AVNOJ principles, our equality, and the federal system.

Pointing out some ideological notions and tendencies that have existed for a long time, and especially since the 1970's, Pancevski stressed that one of the basic issues with respect to which we waver in the ideological and concretely political domain is our understanding and interpretation of equally grounded political, democratic, and civilizational issues concerning the national affirmation of each nation and nationality. It is beyond a doubt that the issue of national affirmation of each our nations is one of the motivating factors in the development of a nation and in overall political and social processes, and that this is a category through which the identity and overall material and spiritual capacity of a nation is expressed synthetically.

The national affirmation of each nation in its totality was the purpose and the main content of our history, our modern, post-war development of interethnic relations, and the basic AVNOJ principles of equality and federal system, Pancevski stressed. Hence, our nations could see in the principle of unity, in life together, and in the federal character of the Yugoslav community, the condition and manifestation of their own national affirmation, and hence, the AVNOJ principles could have been created in such a cardinal period of our revolution and could successfully resist all storms and serious temptations. However, we face or are facing, on the one hand, theses and conceptions to the effect that under the guise of the affirmation of working class relations or some abstract general interest, the principle of national affirmation is historically outmoded or that it is even an residual of bourgeois society, and the like. However, we see even greater waverings and wrong paths in conceptions and tendencies that understand and treat the postulate of national affirmation as historically one-sided, isolated from other social relations and processes, as the goal in itself, and frequently as a dominant spiritual category, and not as a real relation in material, economic, and political life.

Those holding such views have ignored the class character of production relations in socialism. This has led to ideological and political confusions that underestimate or even negate the working class and self-managing foundations of our society. At the same time, they deny the dialectic unity between the class and the nation to the detriment of the former. In their view, national affirmation is an absolute and sole expression of the identity and self-assertiveness of some nations and is a principle that stands independent and isolated from the need for the national affirmation of other nations. In other words, they see national affirmation as the antithesis to any kind of common and general interest, to the country's federal system, to the brotherhood and unity of our nations and nationalities. All this, at the same time, implies a rejection of national and other forms of pluralism as a realistic and motivating factor in the country.

With such ideological and political digressions and processes, it has become increasingly difficult to draw the line between that which represents national affirmation, on the one hand, and nationalism in its differing variations, on the other. At the same time, it is becoming difficult to differentiate between objective and normal remnants of national romanticism, especially with some of the nations and nationalities, and that which is a historically outmoded burden carried by those who interpret national affirmation as tendency toward hegemonism, or even some kind of feudalistic and autarchic isloationism.

In addition, the LC continues to dispel artifically created dilemmas that claim that the national affirmation of one nation or nationality is contrary to and incompatible with the affirmation of the working class' general interests, with self-management as an integral process, with democracy, and especially, with the wide-ranging process of integration on both the Yugoslav and world scale. We must bear in mind, Pancevski continued, that both in the receding period and today we have encountered forces that interpret the principle of the equality of nations and nationalities exclusively as the principle of the equality of the republics and provinces, in other words, of the national states, and not as equality that, in fact, reflects the totality of all human, material, economic, and especially self-managing and democratic relations in our country.

The LC should clearly stress the stand that through the equality of the republics and provinces only one aspect of national equality is being realized. It is a very essential one, but it is far from being a united and dominant expression of this equality.

On the other hand, Pancevski said, the principle of full equality of and nationalities in our country was essentially understood and realized as a principle fully identical to the principles of the sovereignty and statehood of the Yugoslav nations, which in objective terms was the expression of an unhistoric attitude. Before all this, there also were objective trends and processes indicating that the equality of nations should be expressed primarily by giving a nationality its own state as part of obvious trends that the provinces should become republics "de jure" and "de facto," that is, states. This became and is becoming most obvious in the example of Kosovo. Here I wish to imply that such ideas and trends are one of the main causes of nationalism and separatism in Kosovo, in both its etatist and counterrevolutionary forms. Also, the principle of equality often is understood and practiced as a way of insuring a process whereby one nation or nationality gains a majority over another, or as an expression of isolation within national borders, separatism, and so forth.

In continuation, Pancevski also spoke about various trends to distort the character of the Yugoslav community. Essentially, depending on the position of the interests of alienated political and nationalistic forces in a particular nation, we have the emergence of certain variants from typically nationalistic confederational and separatist concepts, as well as those theses which on behalf of an alleged compactness of unity and general interests offer a centralist, unitarist concept of the Yugoslav community.

For the LC, for all our nations and nationalities it is clear that the basic fundamental principles of our federation should continue to be its cornerstone. We cannot accept that on behalf of national affirmation and of the equality and sovereignity of people, pleas are made for a confederal model, even in a certain separatist trend, which means a division of Yugoslavia. For this reason, it is of essential significance to bear in mind that the federal character of our community is the condition for the true national affirmation of all nations and nationalities and an objective expression and necessity of the realization of the economic model we have chosen.

Bearing all this in mind, Pancevski said, we could not adopt without difficulties argument-based stances according to which a federation is the antithesis of the sovereignty of each nation, and in particular, that a strong federation, in the modern and democratic sense of the word, is a manifestation of etatism, centralism, or unitarism because it is clear that the federation was created in the revolution through the modern [suvremena] will of all nations, and that federal functions are an expression of the general and common interests of all nations and nationalities and the working class of Yugoslavia. In such a situation and in light of the existing ideological and political confusions, waverings, and the like, it is quite clear, Pancevski said, that they are the main cause and hotbed on which confrontational interethnic relations are blazing up, and especially that all this is the expression and reactive factor of various nationalistic-separatistic and bureaucratic-unitaristic forces. All this brought about the obvious and free public appearance on the political scene of all forms of nationalism, even to the extent that political bureaucracy flirted with and teamed-up with nationalistic forces, which finally was manifested in the federalization of the LCY, in its lack of resistance to the influence of various interests which are proportionally represented, and even its establishing links with nationalistic forces. As a result, the LCY, its stance toward nationalism as a global and competing social phenomenon, proceeded from opportunist, ideologicaly neutral, and frequently dogmatic positions. It is obvious that the LCY has not carried out a critical Marxist analysis of the phenomena and manifestations in interethnic relations for a long time.

Pancevski said that often there is no evidence of the clearly stated Marxist view that neither nationalism nor separatism, unitarism nor centralism are in the genuine interest of our nations and nationalities or of all of them together, and that all these phenomena are, in fact, differing variations of a bureaucratic, etatist authority that is alienated from its own people and from the working class as a whole. At the same time, the LC must be aware that the nature of nationalism is the same regardless of the environment or nation in which it is manifested. However, in light of the LC's stands, it is unacceptable to equate, mechanically and dogmatically and at every historical stage, the intensity and danger posed by these variations of statism and nationalism.

To equate all these phenomena means avoiding a genuine communist confrontation with nationalism of all hues and varations. The present juncture is characterized by a great expansion of factional, separatist, and nationalist nationalism. In the present historical context this threatens the survival of the achievements of the national liberation struggle, the socialist revolution, and all the basic values of our society. It poses a danger to our present and our future, Milan Pancevski, president of the LCY Central Committee Presidium, said in conclusion.

The debate at this session would have been much more fruitful if the LCY Central Committee Presidium had drawn up an analytical review of the points on which there is agreement and those on which we disagree, referring to the genuine ideopolitical differences over the key issues and the arguments from which these stems, and of disagreements and fabricated differences which, Stanislav Stojanovic said, do exist.

If this had been done, it would be easier to distinguish the key problems that must be solved, identify their causes, and put forward proposals for their resolution. It also would have been easier to conduct the debate as a process of the confrontation of arguments in the common search for solutions. [passage omitted]

If such a review had been made, it would become clear that the main political conflict in Yugoslavia today is not between separatist and unitarist nationalisms in which the LCY and its national policy are being pushed to the sidelines, rather it is a conflict in the LCY leadership between confederal, meaning separatist tendencies, on the one hand, and federalist tendencies on the other; in other words, between two concepts of democracy: democracy within "national cloak" and democracy within the Yugoslav nationalities. This conflict is not just a "struggle for the redistribution of power," nor can it be interpreted as a "struggle for power" (although this is in evidence), since these two types of struggle cannot be equated. [passage omitted]

Discussing the interpretation and use of the term "unitarism," Stojanovic stressed that to insist in the present situation on unitarist danger as a direct threat was, objectively speaking, part of the ideological explanation of the country's separatist disintegration. If, on the other hand, this is considered a realistic danger and effective political action is called for, it must be specified, Stojanovic said, who the proponents of unitarist tendencies in Yugoslavia today are, and whether this terminological exhibitionism has anything to do with the original meaning of the word unitarism or whether it means state or national unitarism. [passage omitted]

He also made reference to the ideas and visions of confederation in Yugoslavia which, according to him, were most comprehensively explained by Borut Suklje.

While present-day European processes imply, as Comrade Suklje kept stressing yesterday, "the negation of traditional national states" in contrast to them, the prospects for Yugoslav federation are seen, despite the fact that the European processes are being constantly invoked, to be an even more enhanced affirmation of national states, their political, cultural, and economic sovereignty and unfounded consensus democracy. While Europe considers social order, responsibility, and discipline as acceptable and desirable, in Yugoslavia the insistence on "unity, responsibility, and discipline" is interpreted as inevitable authoritarianism, the atmosphere of fear, and as containing germs of a civil war, Stojanovic noted, adding that even less convincing were calls for confederalization in the LCY, which would be reflected in giving absolute priority to the otherwise-needed protection of the minority and in rejecting compulsion in implementing democratically passed decisions, meaning in the call for setting up some kind of "asymmetric federation," even in the LCY.

There was response to Stojanovic's contribution from all those he referred to: Abadzic, Pleterski, Skenderagic, and Suklje.

Abdzic rejected Stojanovic's remark that he was lecturing the LCY Central Committee and accused Stojanovic of doing precisely that at every single Central Committee session. He asked whether, in the end, the Central Committee will have two kinds of members; those who will be allowed to lecture others and those who will not.

Pleterski explained that he did not set the state against democracy, but that he saw the latter as the point of departure in emerging from the crisis.

With reference to Stojanovic's remark about "militant pronouncements by individual members," Skenderagic said that it said more about those who made the remark than about those at which it was directed. He asked if it was too much to ask the Central Commitee members to adhere to at least basic decency and culture in dialogue.

Suklje said that he did not talk about confederation and that in Europe, in addition to the processes of integration there are also processes of segmentation which reflect people's identity, of which Stojanovic is oblivious and which he refuses to recognize. He said that there was always scope in Yugoslavia to question the rationality of its organization and its whole purpose.

A debate on interethnic relations, which was held yesterday and today in the Sava center in Belgrade and in which about half of the members of the LCY Central Committee took part, including responses, was concluded this afternoon by Milan Pancevski, president of the LCY Central Committee Presidium.

Following a long speech in which he summed up the debate and discussed the causes and roots of the escalation of nationalism, that is, of the LCY tasks in the struggle for improvement of interethnic relations, Milan Pancevski presented proposed operative conclusions which the LCY Central Committee unanimously endorsed.

The president of the LCY Central Committee Presidium also answered some questions concerning the content of and the preparations for the introductory speech. In this connection, he said that during the preparation of the introductory report for this session a usual procedure was applied; the LCY Central Committee Presidium discussed the basic concept and content of the report, that is, made comments and suggestions, while the formulations themselves bear the mark of the author. [passage omitted]

Since he had been elected to the SFRY Presidency, and on the basis of the LCY Central Committee criteria on separating party and state offices, Vasil Tupurkovski was relieved of his duties as a member of the LCY Central Committee and its Presidium. Stefan Korosec, secretary of the LCY Central Committee Presidium thanked him for his work so far in this high-ranking party office. The Central Committee also accepted the resignation of Perko Vukotic from his membership in the LCY Central Committee Presidium. Perko Vukotic offered his resignation from this office, as well as from his membership in the LCY Central Committee wishing, as Momir Bulatovic said, to make it possible for the Montenegro

LC Central Committee to assess his possible responsibility following some critical remarks in Montenegro. As Bulatovic said, the Montenegro LC Central Committee concluded that there was no basis for this and that Vukotic should not offer his resignation.

This evening, the LCY Central Committee decided that the resignation of Zdravko Greb from his membership in the Central Committee, which was offered at the last plenum, should be discussed at the next session. The Central Committee decided this at the proposal of the Presidium since, as Stefan Korosec explained, the reasons for his resignation were also connected with the work of the Central Committee.

Wishing to explain some imprecise formulations, Zdravko Greb stressed that he had not offered his resignation, rather he had submitted it and had no intention of withdrawing it. The motives behind the resignation are personal, or more precisely, an individual political attitude to the country's difficulties and to the work of the LCY Central Committee, Grebo explained. Following today's session, according to Grebo, his belief in the correctness of his decision is even stronger, since with such work in the Central Committee it is "death in installments" that is forthcoming.

With the statement that he neither could nor wished to change the Central Committee's decision, Grebo agreed that his decision should be discussed at the next session, for which he will also prepare an outline of his vision of the problems concerning the work of the LCY Central Committee.

This evening, the LCY Central Committee did not accept the Presidium's proposal that, in connection with the initiative of the Montenegro LC Central Committee concerning the dismissal of Andjelko Kovacevic and Slobodan Filipovic from the LCY Central Committee, a working group should be formed to look into their responsibility. The reason was the lack of explanation for this initiative, so the Montenegro LC Central Committee was instructed to prepare it for the next session.

Before presenting his view of the initiative by the Montenegro LC Central Committee, Slobodan Filipovic criticized the Presidium for making such a proposal to the committee this evening, while yesterday, when the agenda was being set up, there was no mention of it.

Without denying the statutory and work regulation rights of the LC Central Committee of one republic to start an initiative, Filipovic expressed "surprise and consternation" at the initiative, which does not present the facts on the basis of which his work has been assessed.

What does an arbitrary assessment of a political involvement mean? It should be to the honor of the Central Committee, if it makes decisions concerning the formation of a working group on this basis, Filipovic says. Does not its formation also mean a prejudgment of responsibility and of what a working group should look into, he said? Why hurry with a working group when its formation also means a kind of recognition of the act of the initiative? Is it more normal that the Montenegro LC Central Committee should present the facts that motivated it to make this decision, Filipovic stressed? [passage omitted]

This part of the discussion was concluded by the taking of a vote. The LCY Central Committee decided that by the next plenary session, the Montenegro LC Central Committee must submit an explanation upon which the decision will be made as to whether or not to form a working group. Its work should provide a basis for deciding how well-founded is the initiative to dismiss Slobodan Filipovic and Andjelko Kovacevic from the LCY Central Committee.

Just before the session ended, Dali Dzonlagic submitted a proposal that the LCY Central Committee should consider two initiatives. With reference to a recent statement by Dragutin Zelenovic, member of the SFRY Presidency, at the SFRY Assembly's Federal Chamber to the effect that the use of special measures in the Socialist Autonomous Province of Kosovo was legally and constitutionally founded, Dzonlagic noted that some sections of the public had a different opinion. According to him, the compulsory work order was controversial, the measure of isolation had no grounds, while emergency measures can be imposed only in the event of war.

Since not long ago the LCY Central Committee discussed the issues of constitutionality and legality, Dzonlagic called on the Central Committee to ask the SFRY Presidency and the Yugoslav Assembly to state if all the measures taken in Kosovo were legally and constitutionally founded. If it is established that they were not, the LCY Central Committee Presidium should, in Dznolagic's view, initiate a procedure to assess the use of the measures and to establish if they were in accordance with our legal system.

He also proposed that the LCY Central Committee Presidium should ask the SFRY Presidency to re-examine the constitutionality of the regulation under which the committees of all-people's defense and social self-protection in the republic and provinces are to be chaired by the presidents of the central or provincial LC committees, in municipalities and towns by presidents of the municipal LC committees, and in collectives by secretaries of the basic LC organizations. This should be done for the sake of the reputation of Yugoslavia and the LCY Central Committee. [passage omitted]

The Central Committee today passed a decision to complete the LCY Central Committee delegation to the Socialist Alliance of Working People of Yugoslavia Federal Conference and its Presidium. The delegation will also include Milan Pancevski, Ivica Racan, and Ljubomir Varoslija.

The 25th session ended with a statement made by Stefan Korosec, who presided over the 2 days of work, announcing that the next session of the LCY Central Committee would take place on 30 August. The main topics on the agenda will include: the ideopolitical bases for changing and amending the party statute and the LCY stands on self-managing political pluralism.

Interethnic Discussion Ends

AU3107170489 Belgrade Domestic Service in Serbo-Croatian 1500 GMT 31 Jul 89

[Kosta Krajincanic report]

[Text] The discussion on interethnic relations at the plenum of the League of Communists of Yugoslavia [LCY] Central Committee is over. At present, the members of the Central Committee are having a break after which they will discuss the secondpoint on the agenda.

The concluding speech was made by Milan Pancevski, president of the LCY Central Committee Presidium. He proposed several operative conclusions which were unanimously adopted. The essence of these conclusions is to start a battle against nationalism, primarily in one's own community, and to stop the public confrontations between the republican leaderships.

As far as the discussion itself is concerned, at times it was heated, spontaneous, and even very sharp, but only in the retorts to the prepared speeches, reactions, and polemics. The regular speeches, as is usual for these gatherings, were written and formulated in advance from personal points of view.

In contrast to the previous party plenums, this plenum was characterized by retorts. One could call it a plenum of retorts. There were 44 regular speakers in the discussion and as many as 59 retorts. Most reactions were to the speeches of Dusan Dragosavac, Nijaz Skederagic, Ante Markovic, Muhamed Abadzic, and Ivica Racan.

When I say regular speeches, I do not think that retorts are not regular. On the contrary, they expressed the essence of the Yugoslav interethnic dispute more profoundly. Differences were more clearly perceived. One could hear what others thought about Yugoslavia and their position in it without them using empty phrases, and without dissociations, and (?implications).

Particularly strongly expressed through the retorts was the decisiveness of the members of the Central Committee of the League of Communists of Yugoslavia from the League of Communists of Serbia to no longer accept unjustified and tendentious attacks on the policy of the League of Communists of Serbia at such meetings and in political life in general, as well as the personalities in the political and social life of Serbia, and the Serbian history and tradition.

One of the participants in the discussion said that there was really no sense in Serbia continually proving that it is not [passage indistinct] that it does not have any pretensions toward other peoples and their (?states) which is continuously being (?claimed and imputed) especially by Slovenia and Croatia. [passage indistinct]

After the break, at 1800, the plenum will discuss some cadre questions, including the resignations of Zdravko Grebo and Perko Vukotic, and the initiative of the Provincial Committee of the League of Communists of Kosovo to relieve Azem Krasnici of his membership of the Central Committee.

Final Remarks Presented

AU3107180789 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 31 Jul 89

[Kosta Krajincanic report]

[Text] The 25th plenum of the Central Committee of the League of Communists of Yugoslavia is drawing to an end. Under the point miscellaneous, the last point on the agenda, the members are discussing some cadre questions. Slobodan Filipovic, member of the Central Committee from the League of Communists of Bosnia-Hercegovina, is currently speaking. The reason for his speech is the initiative launched by the League of Communists of Montenegro that he, Slobodan Filipovic, and Andjelko Kovacevic be relieved as members of the Central Committee. Slobodan Filipovic is presenting his explanation concerning this initiative.

Prior to that, some other cadre issues were also discussed. Vasil Tupurkovski, who was recently elected a member of the SFRY Presidency, was relieved of his membership of the Central Committee following the decision that party and state functions should be separated. The resignation of Perko Vukotic and the initiative of the Provincial Committee of the League of Communists of Kosovo that Azem Krasnici be relieved of his membership will be discussed at some future session.

Reduced Committee Endorsed

LD3107194689 Belgrade TANJUG Domestic Service in Serbo-Croatian 1713 GMT 31 Jul 89

[Text] Belgrade, 31 Jul (TANJUG)—Members of the League of Communists of Yugoslavia [LCY] Central Committee unanimously endorsed a proposed decision to reduce the number of members of the LCY Central Committee. The new Central Committee, which will be elected at the 14th extraordinary congress, will have 129 members, rather than 165 as at present.

This decision will also mean a reduction in the number of members of the Statutory and Supervisory Commissions. After the congress, the Statutory Commission will have 15 members, instead of the present 24, while the Supervisory Commission will continue to have 15 members, but it will

no longer include presidents of the Supervisory Commissions of the republican and provincial LC's and the JNA [Yugoslav People's Army] LC organization who have hitherto been ex-officio members.

This decision must be endorsed by the 14th extraordinary LCY Congress.

Plenum Concludes

LD3107195589 Belgrade TANJUG Domestic Service in Serbo-Croatian 1807 GMT 31 Jul 89

[Text] Belgrade, 31 Jul (TANJUG)—Following a full 2-day debate, whose main theme was the activity of the League of Communists of Yugoslavia [LCY] in the development of ethnic relations, the 25th LCY Central Committee Plenum ended at 1930 this evening.

Members of the LCY Central Committee endorsed operative conclusions on the development of ethnic relations and the tasks of the LC, while the comprehensive stands of the Central Committee will be endorsed at the next session of the highest-ranking party forum.

The Central Committee also endorsed a decision to reduce a number of the members of the LCY who will be elected at the 14th extraordinary congress, as well as a decision on changes and amendments to a decision on the membership fee for the LCY. The forum also debated several cadre questions.

The next party forum is convened for 30 August, when the Central Committee is expected to discuss ideo-political bases for the changes to the statute and stands of the LCY on self-managing political pluralism.

Loncar Begins Visits to Libya, Tunisia

Meets Counterpart in Libya

LD3007141589 Belgrade TANJUG in English 1013 GMT 30 Jul 89

[Text] Tripoli, July 30 (TANJUG)—Yugoslav-Libyan relations are very good, especially on the economic plane. It is necessary to expand commodity trade and there are broad possibilities for the employment of Yugoslav enterprises on new capital development projects in Libya, above all in the domains of petrochemistry and infrastructure.

This was concluded during talks conducted by Yugoslav Secretary for Foreign Affairs Budimir Loncar in Libya, where he arrived for an official visit yesterday.

Loncar and his host, Secretary of the General People's Committee for Relations and Cooperation with Foreign Countries Jadallah al-Talhi, exchanged opinions also on preparations for the ninth nonaligned summit in Belgrade.

On the bilateral plane, they discussed the need for and methods of implementing existing agreements on the disbursement of Libya's debts due to Yugoslavia. Considering the unsettled price of oil on world markets, the two sides stressed the need to reach an agreement on stable criteria for the determination of the price of oil which Libya delivers to Yugoslavia. In the (?context of the) positive changes in international relations, it was said, the nonaligned countries must adjust their attitude in order to help detente become of a lasting nature and for all questions to be resolved. In this, the problems of development and the position of the developing countries are becoming priorities for the nonaligned.

Meets With Al-Qadhdhafi, Departs

LD3007211789 Belgrade TANJUG Domestic Service in Serbo-Croatian 1748 GMT 30 Jul 89

[Text] Tripoli, 30 Jul (TANJUG)—Colonel Mu'ammar al-Qadhdhafi highly assessed Yugoslavia's role in the Nonaligned Movement and international relations. He expressed particular satisfaction at the successful development of traditionally friendly relations and cooperation between the two countries in all areas. The leader of the Libyan revolution expressed this view today during talks with Budimir Loncar, federal secretary for foreign affairs, whom he received for lengthy and friendly talks at the end of the latter's official visit to friendly Libyan Jamahiriyah. The talks were also attended by Jadallah Azzuz al-Talhi, secretary of the People's Foreign Liaison Bureau, and the SFRY ambassador in Libya, Milutin Galovic. Al-Qadhdhafi said that the coming summit meeting in Belgrade was of exceptional importance for all nonaligned countries and the movement as a whole. He also agreed with the stand on the importance of modernizing the movement and adjusting it to present-day trends in international relations.

Both sides emphasized the need for continuing dialogue about the movement's activities. Al-Qadhdhafi expressed his firm belief that the coming summit meeting would help the movement to assume an even more important role in international relations. It was said in the talks that despite positive trends in international relations, many of the problems, especially in the economic and social spheres, contained serious elements of instability. Col al-Qadhdhafi voiced his full support for Yugoslavia as the host of the forthcoming summit and stressed his country's active contribution to its successful outcome.

In the talks, considerable attention was focused on the state of affairs in and further development of bilateral cooperation. Both sides agreed on the need for regular contacts at all levels with the aim of providing constant stimuli to cooperation of common interest to the two friendly countries. Col al-Qadhdhafi positively assessed the participation of Yugoslav firms in realising Libya's development projects. In this context, the two sides noted an interest in and potentials for their participation in new projects in new fields.

The federal secretary for foreign affairs has ended his visit to Libya and has left for Tunis.

Arrives in Tunisia 30 Jul

LD3007212589 Belgrade TANJUG in English 1828 GMT 30 Jul 89

[Text] Tunis, July 30 (TANJUG)—Budimir Loncar, Yugoslavia's diplomacy chief, arrived from Tripoli here today within a short tour of north Africa.

His is the first visit by a high-ranking Yugoslav official to this friendly country since Zine El Abidine Ben Ali, the new head of state, came to power.

The main topics at the talk the visiting Yugoslav foreign minister had immediately after arrival with his host, Tunisian Foreign Minister Abdelhamid Esheikh, were bilateral relations and preparations for the forthcoming non-aligned summit in Belgrade.

Received By Premier

LD3107201289 Belgrade TANJUG in English 1605 GMT 31 Jul 89

[Text] Tunis, July 31 (TANJUG)—Yugoslav Foreign Secretary Budimir Loncar, currently visiting Tunisia, held a meeting Monday with Tunisian Prime Minister Hedi Baccouche.

The talk centered on the issues to be discussed by the ninth nonaligned summit to be held shortly in Belgrade.

The two countries have reaffirmed their adherence to the objectives and principles of nonalignment and pointed to the need for promoting cooperation among Mediterranean countries, Loncar said.

The preparations for the summit had already been discussed by a Yugoslav-Tunisian working session Sunday evening at Tunisian Foreign Ministry, chaired by Loncar and Tunisian Foreign Minister Abdelhamid Escheikh. The forthcoming summit was described by Loncar as a test of the Nonaligned Movement's maturity.

The summit will be held in an international situation characterized by changes which force the movement to reconsider its methods and bring its attitudes up to date, Loncar added.

Bilateral cooperation and international situation were the themes of another session between Loncar and Escheikh.

Talks With President

LD0108040389 Belgrade TANJUG in English 1934 GMT 31 Jul 89

[Text] Algiers, July 31 (TANJUG)—Tunisian President Zine El Abidine Ben Ali today received Yugoslav Foreign Secretary Budimir Loncar, who yesterday began his visit of Tunisia.

During the meeting, Loncar presented Ben Ali with an official invitation to take part in the ninth non-aligned summit in Belgrade in early September and extensively informed him about the preparations for this meeting. The meeting was attended by Yugoslav ambassador to Tunisia Dr Ivan Starov.

The Tunisian president underscored his country's interest for the preparations of the new Belgrade summit, since a delegation of his country attended the 1961 Belgrade meeting when the Non-aligned Movement was founded. Bilateral cooperation was also discussed and the possibilities for [word indistinct], especially through cooperation based on investment projects, such as the ones present earlier, and which could take advantage of the experiences of Yugoslav firms in Tunisia.

Loncar was today received also by Tunisian Prime Minister Hedi Baccouche. Baccouche informed Loncar about the results of the recent Arab summit in Casablanca, the latest developments in the Arab world, and the activities of the Arab League.

Loncar also met here with Palestine Liberation Organization (PLO) executive committee member Abu Mazin, who informed him about the latest developments on the Palestinian and Middle-East scenes, especially with respect to the PLO-USA dialogue and the PLO's stands regarding the idea on elections in the occupied territories. Loncar and Mazin also discussed possibilities for taking advantage of certain signs of positive trends to enable the Belgrade non-aligned summit to make a concrete contribution towards stepping up the calling of an international peace conference on the Middle East.

The Yugoslav federal secretary also met with Senegalese Foreign Minister Ibrahim Fall, who is also visiting Tunisia. Loncar and Fall exchanged views on the preparations for the non-aligned summit in Belgrade and assessed that there was a closeness of views about the need for the movement to be confirmed as an efficacious factor in the modern and changed international conditions and trends.

Meets Arab League's Klibi

LD0108040489 Belgrade TANJUG Domestic Service in Serbo-Croatian 2137 GMT 31 Jul 89

[Excerpt] Algiers, 31 Jul (TANJUG)—Budimir Loncar, federal secretary for foreign affairs, had talks with Chedli Klibi, secretary-general of the Arab League, in Tunisia.

In the course of the talks, relations between the SFRY and Arab countries were assessed positively. Klibi briefed the guest from Yugoslavia about the results of the recent Arab summit in Casablanca, the latest developments in the Arab world, and activities of the Arab League. [passage omitted]